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Tinexta S.p.A.



REPORT ON CORPORATE GOVERNANCE AND OWNERSHIP STRUCTURE

drafted pursuant to Art. 123-bis of Italian Legislative Decree no. 58 for the year 2020

(traditional management and control model)

Issuer: Tinexta S.p.A.

Website: www.tinexta.com

Financial year to which the Report refers: 2020

Date of approval of the Report: 12 March 2021

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GLOSSARY

In this Report, except in cases where the context gives a different meaning, the following terms and expressions, where distinguished by a capitalised initial, will have the meaning given below:

Meeting/Shareholders' Meeting	The Issuer's Shareholders' Meeting.
Shares	The Company's ordinary shares, with no nominal value.
Code/Code of Conduct	The Code of Conduct for listed companies approved in July 2018, as subsequently amended and supplemented, by the Corporate Governance Committee and promoted by Borsa Italiana S.p.A., ABI, Ania, Assogestioni, Assonime and Confindustria.
Civ. Code/CC	The Italian Civil Code.
Board/Board of Directors	The Board of Directors of Tinexta S.p.A.
Board of Statutory Auditors:	The Board of Statutory Auditors of Tinexta S.p.A.
Report Date	The date of approval of this Report by the Issuer's Board of Directors.
Financial year	The financial year ended 31 December 2020 to which the Report refers.
Tinexta Group	Jointly, the Company and its Italian and foreign subsidiaries pursuant to Art. 2359 of the Italian Civil Code and Art. 93 of the Consolidated Finance Act.
Instructions for Borsa Regulation	The Instructions for the Regulation of Markets organised and managed by Borsa Italiana S.p.A.
<i>Market Abuse Regulation</i> or MAR	EU Regulation No. 596/2014, as subsequently integrated and implemented, on market abuse.
MTA	Electronic Stock Market (Mercato Telematico Azionario) organised and managed by Borsa Italiana S.p.A.
Consob Issuers' Regulations	Regulations issued by Consob with Resolution no. 11971 of 1999, as subsequently amended and supplemented, concerning issuers.
Consob Market Regulations	The Regulations issued by Consob with Resolution no. 16191 of 2007, as subsequently amended and

	supplemented, concerning markets.
Consob Related Party Transaction Regulations or RPT Regulations	Regulations issued by Consob with Resolution no. 17221, 12 March 2010 concerning related party transactions, as subsequently amended and supplemented.
Report	This report on corporate governance and ownership structure that the Company is required to prepare pursuant to Art. 123-bis of the Consolidated Finance Act and in compliance with the Code of Conduct.
Remuneration Report	The report on the remuneration policy and remuneration paid pursuant to Art. 123-ter of the Consolidated Finance Act and Art. 84-quater of the Consob Issuers' Regulation.
Website	The Company's website, www.tinexta.com
Company or Issuer	Tinexta S.p.A., with registered office in Rome, Piazza Sallustio, 9, registered in the Register of Companies of Rome under no. 1247386, VAT number and Tax code 10654631000, issuer of the transferable securities to which the Report refers.
Articles of Association	Articles of Association of Tinexta S.p.A., published on the Company's Website and in force on the Date of the Report.
Consolidated Finance Act	Italian Legislative Decree no. 58, 24 February 1998, and subsequent amended and supplemented.

1. ISSUER'S PROFILE

Tinexta is a company with shares listed on the MTA, STAR segment, since 30 August 2016.

Tinexta is active in the acquisition and management of shareholdings in companies operating as developers of IT services and, in general, of innovative services for businesses and public administrations. Tinexta is the parent company of the Tinexta Group, which provides a wide range of Digital Trust, Credit Information & Management and Innovation & Marketing Services in Italy and, to a residual extent, abroad.

Pursuant to Art. 1, Par. 1, lett. w-quater 1) of the Consolidated Finance Act, "SMEs" means: "*without prejudice to the provisions of other legal provisions, small and medium-sized enterprises, issuing listed shares, with a market capitalization not exceeding €500 million. Issuers of listed shares that have exceeded this limit for three consecutive years are not considered SMEs.*" The market capitalization of the Issuer as at 31 December 2020, 31 December 2019 and 31 December 2018 was, respectively, €991.3 million, €548 million and €293 million. The Issuer, therefore, falls in the aforementioned definition of "SME" for all the purposes of the laws and regulations in force.

Tinexta is organised according to the traditional management and organisational control model set out in Art. 2380-bis et seq. of the Italian Civil Code, with a Shareholders' Meeting, a Board of Directors and a Board of Statutory Auditors.

Tinexta 's corporate governance system is constructed according to the Code of Conduct and the regulatory provisions governing Italian listed companies, according to corporate governance best practices, and is focused on the transparency of management decisions both within the Company and in relation to the market; on the efficiency and effectiveness of the internal control system; on the rigorous regulation of potential conflicts of interest and on solid rules of conduct for the execution of related-party transactions.

The Board of Directors plays a central role in guiding and managing the Company. Within the Board of Directors, a Remuneration Committee and a Control and Risk Committee have been created, the latter also acting as Committee for Related Party Transactions; both Committees have proposal and advice functions in compliance with the recommendations of the Code of Conduct, which the Company has adopted with resolution of the Board of Directors at the meeting held on 17 May 2016.

The Board of Statutory Auditors monitors compliance with the law and the Articles of Association and with the principles of correct administration, in particular the suitability of the organisational, administrative/accounting setup adopted by the Company and its operation.

The Board of Statutory Auditors also acts as Internal Control and Audit Committee pursuant to Art. 19 of Italian Legislative Decree no. 39/2010, as amended by Decree Law no. 135, 17 July 2016, which has come into force on 5 August 2016.

The statutory audit of the accounts for the nine-year period 2016-2024 is entrusted to the auditing firm KPMG S.p.A., appointed by the Shareholders' Meeting of 29 April 2016 on the reasoned proposal of the Board of Statutory Auditors according to the provisions of Italian Legislative Decree No. 39/2010, applicable to public interest entities, in force at the time.

With this Report, Tinexta provides the market with the information required by Art. 123-bis of the Consolidated Finance Act and by the regulatory provisions in force on the corporate governance system adopted by the Company as well as on the ownership structure related to this, in line with the recommendations of the Code of Conduct.

This Report – drafted taking into account the instructions drawn up by Borsa Italiana – also provides accurate and exhaustive information on the means whereby the Company complies with the principles and criteria set out by the Code of Conduct. Any failure to comply with certain specific provisions of the Code of Conduct is justified in the section of the Report concerning the related governance practice otherwise applied by the Company.

2. INFORMATION ON THE OWNERSHIP STRUCTURES

A) STRUCTURE OF SHARE CAPITAL (PURSUANT TO ART. 123-BIS, PAR. 1, LETTER A), OF THE CONSOLIDATED FINANCE ACT)

As at 31 December 2020 and at the Date of the Report, the subscribed and paid-up share capital amounts to €47,207,120.00, divided among 47,207,120 ordinary shares, with no indication of nominal value. Following the launch of the plan for the purchase of treasury shares, authorised by the Shareholders' Meeting held on 28 April 2020 and announced on 15 May 2020, Tinexta currently owns 917,147 treasury shares.

There are no shares with limited voting rights.

The Shares of the Company are all registered, indivisible and freely transferable and entered, in dematerialised form, into the centralised management system managed by Monte Titoli S.p.A.

The Shares have been traded on the MTA, STAR Segment, since 30 August 2016.

At the date of the Report there are no other classes of shares.

STRUCTURE OF SHARE CAPITAL				
	No. of shares	% of share capital	Listed (specify markets) / unlisted	Rights and obligations
Ordinary shares	47,207,120	100%	MTA - STAR segment	-
Shares with multiple vote	-	-	-	-
Shares with limited voting right	-	-	-	-
Shares with no voting right	-	-	-	-
Other	-	-	-	-

It should be noted that the “2020-2022 Stock Option Plan” (“**2020 Plan**”) approved by the Shareholders' Meeting on 28 April 2020 is currently in place. For further details, please refer to the Remuneration Report prepared pursuant to Art. 123-ter of the Consolidated Finance Act and Art. 84-quater of the Consob Issuers' Regulation, and the information document prepared pursuant to Art. 84-bis and Annex 3A, Schedule 7 of the Consob Issuer Regulations, available on the website www.tinexta.com/2020-assemblea-azionisti. At the meeting held on 12 March 2021, the Board of Directors approved, on the proposal of the Remuneration Committee, the long-term incentive system based on financial instruments ("**2021-2023 Stock Option Plan**" or "**2021 Plan**" and, jointly with the 2020 Plan, "**Stock Option Plans**"), which has not yet been approved by the Shareholders' Meeting. For more information on the 2021-2023 Stock Option Plan, please refer to the relevant Information Document prepared according to Annex 3A, Schedule 7-bis of the Consob Issuers' Regulations, made available to the public on the Company's website, www.tinexta.com, in the "Governance/Shareholders' Meeting" section.

Without prejudice to the above, at the date of the Report, no financial instruments have been issued that grant the right to subscribe newly issued shares.

Tinexta has not issued other financial instruments that can be converted or exchanged with shares.

B) RESTRICTIONS ON THE TRANSFER OF SECURITIES (PURSUANT TO ART. 123-BIS, PAR. 1, LETTER B), OF THE CONSOLIDATED FINANCE ACT)

At the Report Date, there are no restrictions on the free transfer of shares or limits to their ownership; no approval clauses regulate access to the shareholding structure of Tinexta, pursuant to law or the Articles of Association.

It should be noted that, on 18 November 2020, Quaestio Capital SGR, in the name and on behalf of the closed-end alternative fund “Quaestio Italian Growth Fund” (“Shareholder”), announced that it had sold 3,884,242 ordinary shares of the Company at a price of €18.50 per share for a total value of approximately €71.9 million. The transaction was carried out through an accelerated bookbuilding procedure reserved for professional investors in Italy and institutional investors abroad. The transaction was settled on 20 November 2020 (with delivery of the shares and payment of the consideration). In line with market practices for this type of transaction, the Shareholder committed to a 90 days' lock-up for any Issuer's shares in its ownership at the end of the transaction.

C) SIGNIFICANT HOLDINGS IN SHARE CAPITAL (PURSUANT TO ART. 123-BIS, PAR. 1, LETTER C), OF THE CONSOLIDATED FINANCE ACT)

Based on the information received pursuant to the applicable provisions (in particular, pursuant to the provisions of Art. 120 of the Consolidated Finance Act, also with reference to SMEs), as well as the results of the shareholders' register, the Shareholders holding, directly or indirectly, more than 5% of the share capital with voting rights in Tinexta are as follows.

SIGNIFICANT HOLDINGS IN SHARE CAPITAL			
Declarant	Direct shareholder	% shareholding of ordinary capital	% shareholding of voting capital
Tecno Holding S.P.A.	Tecno Holding S.P.A.	55.75%	55.75%

The Company holds 917,147 treasury shares, equal to 1.943% of the share capital.

D) SECURITIES CONFERRING SPECIAL RIGHTS (PURSUANT TO ART. 123-BIS, PAR. 1, LETTER D), OF THE CONSOLIDATED FINANCE ACT)

At the Report Date, no securities had been issued that confer special rights of control, nor are there parties granted special powers under the provisions of current laws and Articles of Association.

It should be noted that, on 12 March 2021, the Board of Directors resolved to submit the amended version of Art. 5 of the Articles of Association, introducing increased voting rights, for approval by the Shareholders'

Meeting. In particular, the proposal provides that, pursuant to Art. 127-quinquies of the Consolidated Finance Act, each share owned by the same party by virtue of a right in rem legitimising the exercise of the right to vote for a continuous period of at least 24 months from the date of registration on the special list is assigned 2 (two) votes. At the Report Date, the amendment to the Articles of Association had not yet been approved by the Shareholders' Meeting.

E) SHAREHOLDING BY EMPLOYEES: MECHANISM FOR THE EXERCISE OF VOTING RIGHTS (PURSUANT TO ART. 123-BIS, PAR. 1, LETTER E), OF THE CONSOLIDATED FINANCE ACT)

On 28 April 2020, the Shareholders' Meeting approved an incentive plan based on Tinexta's ordinary shares known as the "2020-2022 Stock Option Plan", reserved to Executive Directors, Key Managers and/or other employees and other managers of Tinexta and/or of other Subsidiary identified as recipients of the Plan by the Board of Directors, after hearing the opinion of the Remuneration Committee.

The Plan provides for the bonus award to beneficiaries of options allowing the purchase of treasury shares held by the Company and, if applicable, the subscription of newly issued shares of the Company in the ratio of No. 1 (one) Share for No. 1 (one) option exercised. The maximum total amount of Shares to be awarded to Beneficiaries for the execution of the Plan has been set at 1,700,000. The 2020 Plan does not provide for any particular mechanisms excluding or limiting the exercise of voting rights by the beneficiaries. For more information on the 2020 Stock Option Plan, please refer to the relevant Information Document prepared according to Annex 3A, Schedule 7-bis of the Consob Issuers' Regulations, as updated on 12 March 2021 and made available to the public on the Company's website, www.tinexta.com, in the "Governance/Shareholders' Meeting" section.

Furthermore, at the meeting held on 12 March 2021, the Board of Directors approved, on the proposal of the Remuneration Committee, the "2021-2023 Stock Option Plan", which has not yet been approved by the Shareholders' Meeting. The 2021 Plan does not provide for any particular mechanisms excluding or limiting the exercise of voting rights by the beneficiaries.

For more information on the 2021-2023 Stock Option Plan, please refer to the relevant Information Document prepared according to Annex 3A, Schedule 7-bis of the Consob Issuers' Regulations, made available to the public on the Company's website, www.tinexta.com, in the "Governance/Shareholders' Meeting" section.

F) RESTRICTIONS ON VOTING RIGHTS (PURSUANT TO ART. 123-BIS, PAR. 1, LETTER F), OF THE CONSOLIDATED FINANCE ACT)

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

G) AGREEMENTS BETWEEN SHAREHOLDERS (PURSUANT TO ART. 123-BIS, PAR. 1, LETTER G), OF THE CONSOLIDATED FINANCE ACT)

At the Report Date, the Company is not aware of the existence of agreements concerning the Shares pursuant to Art. 122 of the Consolidated Finance Act.

H) CHANGE OF CONTROL CLAUSES (PURSUANT TO ART. 123-BIS, PAR. 1, LETTER H), OF THE CONSOLIDATED FINANCE ACT) AND STATUTORY PROVISIONS REGARDING TAKEOVER BIDS (PURSUANT TO ART. 104, PAR. 1-TER, AND ART. 104-BIS, PAR. 1, OF THE CONSOLIDATED FINANCE ACT)

Neither the Company nor the other Group companies have entered into significant agreements that become effective, are modified or terminated in the event of a change of control, except as indicated below.

The Issuer has entered into a number of significant loan agreements, the contents of which are illustrated in a specific section of the Financial Statements as at 31 December 2020, under which credit institutions have a right of withdrawal in the event of a change of control of the borrowing company; in particular:

- (i) the loan agreement signed on 27 April 2017 between the Company on the one hand, and Cariparma S.p.A. and Banca Popolare Friuladria S.p.A. on the other;
- (ii) the loan agreement signed on 30 November 2017 between the Company and UBI Banca S.p.A.;
- (iii) the loan agreement signed on 27 November 2018 between the Company and Banca Popolare di Sondrio S.C.p.A.;
- (iv) the loan agreement signed on 4 December 2018 between the Company and Credit Agricole Cariparma S.p.A.;
- (v) the loan agreement signed on 28 March 2019 between the Company on the one hand and Mediocredito centrale and Banca Intesa on the other.
- (vi) the loan agreement signed on 20 December 2019 between the Company and BNP Paribas.

The Articles of Association do not derogate from the passivity rule provisions set out in Art. 104, Par. 1 and 1-bis, of the Consolidated Finance Act and do not provide for the application of the neutralisation rules set out in Art. 104-bis, Par. 2 and 3, of the Consolidated Finance Act.

I) DELEGATED POWERS TO INCREASE SHARE CAPITAL AND AUTHORISATIONS FOR THE PURCHASE OF OWN SHARES (PURSUANT TO ART. 123-BIS, PAR. 1, LETTER M), OF THE CONSOLIDATED FINANCE ACT)

No delegated powers are granted to the Board of Directors to carry out share capital increases pursuant to Art. 2443 of the Italian Civil Code. It should be noted that, on 12 March 2021, the Board of Directors resolved to submit for the approval of the Shareholders' Meeting called for 27 April 2021 (i) the amendment to Art. 5 of the Articles of Association granting the Board of Directors, pursuant to Art. 2443, Par. 2, of the Italian Civil Code, the power to increase the share capital and (ii) subject to the approval of the amendment to the Articles of Association and the registration in the Register of Companies, the delegation to the Board of Directors of the power to increase the share capital against payment, once or multiple times, also on a divisible basis (in one or

more tranches) with or without warrants and also to service the exercise of warrants, no later than 26 April 2026, for a maximum of €100 million including share premium, in compliance with the option right pursuant to Art. 2441 of the Italian Civil Code, or also with the exclusion of the option right pursuant to Art. 2441, Par. 4 and 5, of the Italian Civil Code, all this in compliance with all legal provisions in force at the time of the share capital increase resolution.

The Directors do not have the power to issue financial instruments representing shareholdings.

Purchase and disposal of treasury shares

On 28 April 2020, the Shareholders' Meeting of Tinexta approved the programme to buy and sell treasury shares pursuant to Art. 2357 et seq. of the Italian Civil Code, Art. 132 of the Consolidated Finance Act and Art. 144-bis of the Issuers' Regulations, as proposed by the Board of Directors on 19 March 2020, subject to the revocation of the authorisation granted by the Shareholders' Meeting on 7 November 2018.

The purpose of the authorization is to allow the Company to buy and sell the ordinary shares of the Company, in compliance with current EU and Italian regulations and the allowed market practices recognized by Consob, for the following purposes: (i) to buy treasury shares to service the “2020-2022 Stock Option Plan”, as well as any other share incentive plans, short- and long-term, to be reserved for directors and/or managers of the Company or of Tinexta subsidiaries that may be approved by the Shareholders' Meeting of the Company in the future; (ii) to buy treasury shares to be used, if necessary, for one-off transactions on equity or loan transactions involving the granting or disposal of treasury shares; (iii) to provide the Company with an instrument used by listed companies, to seize investment opportunities for any purpose allowed by current provisions, including the purposes contemplated in market practices permitted by Consob; (iv) to set up a “securities warehouse”, useful for any future one-off transaction on equity.

The authorization was granted for a period of 18 months from the date of approval by the Shareholders' Meeting, while the authorisation to sell treasury shares purchased is without time limits due to the absence of time limits pursuant to the provisions in force and the advisability of allowing the Board of Directors to avail itself of the maximum flexibility, also in terms of time, in the sale of the shares.

The authorisation was granted for the purchase of ordinary Company shares with no nominal value, in one or more tranches, up to a maximum number that, taking into account the Company's ordinary shares held at the time by the Company and its subsidiaries, does not exceed 10% of the Company's share capital (equal to 4,720,712 ordinary shares), pursuant to Art. 2357, Par. 3, of the Italian Civil Code.

The authorisation provides for the purchases of treasury shares to be carried out in compliance with legal and regulatory provisions, including those in Regulation (EU) 596/2014 and Delegated Regulation (EU) 2016/1052, as well as acceptable market practices at the time in force, where applicable. In any case, purchases must be made: (i) at a price per share that will not differ, in either direction, by more than 10% from the reference price recorded by the share in the trading session before each individual transaction; (ii) at a price that does not exceed the highest between the price of the last independent transaction and the price of the highest current independent purchase offer available at the trading location where the purchase is made.

For more information, please refer to the Board of Directors' Report to the Shareholders' Meeting published on 7 April 2020 on the website www.tinexta.com/2020-assemblea-azionisti.

Pursuant to Art. 2357-ter of the Italian Civil Code, the Board of Directors was authorised to sell treasury shares at the price or, in any case, according to criteria and conditions set by the Board of Directors, having regard to the implementation methods to be used in practice, as well as the performance of share prices in the period prior

to the transaction and in the best interests of the Company, in any case in compliance with the terms, conditions and requirements set by applicable regulations, at both the Italian and the EU level, and by allowed market practices.

On 15 May 2020, the Board of Directors resolved to launch the treasury share purchasing programme in execution of the resolution of the Shareholders' Meeting of 28 April 2020 by purchasing 1,700,000 ordinary shares, for a maximum value of €25,000,000, granting a mandate to an independent intermediary to coordinate and execute the treasury share purchasing programme in full independence and in compliance with the restrictions deriving from the relevant laws and regulations as well as within the limits of the aforementioned resolutions. The main purpose of the treasury share purchasing programme is to implement the "2020 Stock Option Plan" approved by the Ordinary Shareholders' Meeting on 28 April 2020, as well as other share incentive plans (including the 2021 Plan), without prejudice to the right of the Board to allocate the shares object of the programme to the additional purposes approved by the Meeting on 28 April 2020.

In view of the limits set by the aforementioned meeting resolution of 28 April 2020, the purchases of treasury shares must be made to such an extent that, at any time, taking into account the Tinexta ordinary shares held at the time by the Company and its subsidiaries, those shares must not in total exceed 10% of the Company's share capital, i.e. 4,720,712 shares.

As at 31 December 2020, the Company held 857,014 treasury shares, purchased at the average price of €11.65350 per share. The exercise price is €10.97367 per share.

L) Management and coordination activities (pursuant to Art. 2497 et seq. of the Italian Civil Code)

Although Tecno Holding S.p.A. exercises control over the Company pursuant to Art. 2359 of the Italian Civil Code and Art. 93 of the Consolidated Finance Act and, consequently, includes the Company in its consolidated financial statements, as at 31 December 2020 the Company is not subject to management and coordination activities (pursuant to Art. 2497 et seq. of the Italian Civil Code) by any party, including Tecno Holding S.p.A., due to the absence of the factors that, typically, are considered relevant by doctrine and practice to a situation of management and coordination by a parent company.

In fact, in general terms, pursuant to Art. 2497-sexies of the Italian Civil Code, unless there is proof to the contrary, it is presumed that management and coordination activities are carried out by the party responsible for consolidating the financial statements. This presumption does not apply in the present case for the following reasons:

- (i) the Company operates with corporate and entrepreneurial autonomy, in particular, with the ability to independently negotiate with customers and suppliers and to set its own strategic and development lines without any interference from parties outside the Company;
- (ii) in practice, the shareholder Tecno Holding S.p.A. does not exercise centralised functions at the group level that involve Tinexta (e.g. strategic planning, control, corporate and legal affairs of the group);
- (iii) the Company's Board of Directors operates with full management autonomy; and
- (iv) the parent company, Tecno Holding S.p.A., does not perform treasury services or other financial assistance or coordination functions on behalf of the Company.

* * *

Finally, it should be noted that:

- the information required by Art. 123-bis, Par. 1, letter i), of the Consolidated Finance Act concerning *“agreements between the company and the directors ... providing indemnities in the event of resignation or dismissal without just cause or if their employment relationship ceases following a takeover bid”* is provided in the Remuneration Report prepared and published pursuant to Art. 123-ter of the Consolidated Finance Act;
- the information required by Art. 123-bis, Par. 1, letter l) of the Consolidated Finance Act, regarding *“the rules for the appointment and replacement of directors ... as well as changes to the Articles of Association, if different from the legal and regulatory provisions applicable by default”* is provided in Section 4.1. of this Report, which focuses on the Board of Directors.

3. COMPLIANCE

The Company complies with the Code of Conduct, which is available to the public on the Corporate Governance Committee's website at: <https://www.borsaitaliana.it/comitato-corporate-governance/codice/2018clean.pdf>

In this Report, according to the "comply or explain" principle set out in the Code of Conduct and in line with EU Recommendation No. 208/2014, we report on the recommendations with which the Company has not, at present, decided to comply, whether in part or in full. In addition, for the 2021 financial year, the Company has adopted the Corporate Governance Code adopted by the Corporate Governance Committee and applicable from the first financial year starting after 31 December 2020. The Company will provide the appropriate disclosure in the report on corporate governance to be published in 2022.

Neither the Company nor its subsidiaries are subject to non-Italian legal provisions that may influence the corporate governance structure of Tinexta.

4. BOARD OF DIRECTORS

4.1. APPOINTMENT AND REPLACEMENT (PURSUANT TO ART. 123-BIS, PAR. 2, LETTER L), OF THE CONSOLIDATED FINANCE ACT

The appointment and replacement of Directors is governed by current laws and regulations, as implemented and supplemented, to the extent permitted, by the provisions of the Articles of Association according to the provisions of the Code of Conduct.

Pursuant to Art. 10 of the Articles of Association, the Company is managed by a Board of Directors composed of a minimum of 5 (five) up to a maximum of 13 (thirteen) members, who remain in office for three years, with their term ending on the date of the Shareholders' Meeting convened for the approval of the financial statements of the last financial year of their term. The Shareholders' Meeting shall set the number of members, within the aforementioned limits, before they are appointed.

Appointment to the office of Director is conditional to the requirements set by the law, the Articles of Association and other applicable provisions being met.

The provisions of the Articles of Association governing the composition and appointment of the Board of Directors are believed to be able to ensure compliance with the provisions of Art. 147-ter of the Consolidated Finance Act and the related implementing provisions, as briefly described below.

No less than three directors must meet the independence requirements pursuant to Art. 148, Par. 3 of the Consolidated Finance Act.

As reported in **Table 1** at the end of this Report, with reference to the members of the Board of Directors in office at the Report Date, 7 (seven) directors, out of a total of 11 (eleven), met the independence requirements set out in the Consolidated Finance Act and the Code of Conduct.

The composition of the Board of Directors must ensure a balance between the male and female gender in compliance with the applicable legal and regulatory provisions in force at the time. If a Director no longer meets the independence requirements, his/her office is terminated, unless the minimum number of Directors who must meet these requirements, as set forth in the Articles of Association, continue to meet the independence requirements, without prejudice to the obligation to immediately inform the Board of Directors of said condition.

The Board of Directors is appointed by the Shareholders' Meeting based on lists in which a sequential number is assigned to each candidate.

Each candidate may appear on only one list, under penalty of ineligibility. Each list must include (identifying them by name) candidates meeting the independence requirements, as set forth in Art. 148, Par. 3 of the Consolidated Finance Act, in a number that cannot be below the minimum specified in the Articles of Association. Lists with three or more candidates must also include candidates of a different gender, according to what is set forth in the Shareholders' Meeting notice, so as to ensure that the composition of the Board of Directors meets the current legal and regulatory provisions on gender balance.

The lists may be submitted by the shareholders who, individually or jointly with other submitting shareholders, are the holders, as at the date of the submission of the lists, of shares with right to vote at the Shareholders Meeting convened for the appointment of the Board of Directors and Auditors, and that must represent a percentage of investment in the share capital, as subscribed at the submission date of the list, equal, at least, to: i) 2.5% (two point five percent of the share capital) or ii) the percentage set forth in the laws or regulations if different from the percentage indicated in i). The notice of call of the Shareholders' Meeting called to resolve on the appointment of the Board of Directors must indicate the shareholding percentage required to submit a candidate list.

By Executive Resolution no. 44, 29 January 2021, Consob has set, without prejudice to any lower percentage specified in the Articles of Association, the minimum shareholding percentage required to submit lists of candidates for the administrative and control bodies of listed companies for the financial year ended on 31 December 2020.

In particular, the shareholding percentage set for Tinexta S.p.A. was as follows:

CRITERIA TO SET MINIMUM SHAREHOLDING PERCENTAGE	
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CLASS OF CAPITALISATION	<u>FREE FLOAT PERCENTAGE</u>>25%	<u>MAJORITY PERCENTAGE</u><50%	SHAREHOLDING PERCENTAGE
> € 375 million and <= € 1 billion	not relevant	not relevant	2.5%

Each shareholder may not submit, individually or jointly, nor vote, as any other party entitled to vote, not even through trust companies or third parties, more than one list. In addition, the shareholders who: i) belong to the same group (or pursuant to Art. 93 of the Consolidated Finance Act, are in a control relationship with each other or are subject to joint control, even if the controlling party is a physical person), or ii) participate in a shareholders' agreement under Art. 122 of the Consolidated Finance Act concerning the shares of the company, or iii) participate in such shareholders' agreement and are, pursuant to the law, controlling or controlled by, or subject to a joint control by, one of these participating shareholders, may not submit, individually or jointly with others, more than one list, nor, as for any other party entitled to vote, may they vote on different lists. The agreements and votes expressed in breach of said prohibition shall not be given to any list.

The lists, accompanied by the resumes of the candidates, containing comprehensive information on the personal and professional characteristics of each and signed by the submitting shareholders, or by their representatives, and indicating each shareholder's name and the total percentage of shares held at the date of submission, must be lodged at the registered office at least twenty-five days before the date set for the Shareholders' Meeting, in first or single call. However, all related certification(s) or communication(s) attesting to the above shareholdings and issued by an authorised intermediary pursuant to the applicable laws or regulations, may be sent even later but no later than twenty-one days before the date scheduled for the Shareholders' Meeting in first or single call.

At the time of the submission of the list, it will also be necessary to file the declarations of the individual candidates, by which these accept the candidature and declare, under their own responsibility: 1) that there are no causes for ineligibility and incompatibility, and that the requirements set out in the current primary and secondary legislation have been met; 2) that any independence requirement set forth in Art. 148, Par. 3, of the Consolidated Finance Act has been met. Lists submitted that do not comply with the aforementioned provisions are considered as not submitted.

Pursuant to Art. 10 of the Articles of Association, the election of directors shall be carried out as follows: a) from the list that has obtained the majority of votes at the Shareholders' Meeting ("**Majority List**"), a number of Directors representing the total number of Board members, as previously resolved on by the Shareholders' Meeting (rounding down to the lower unit, in the event of a fraction) minus two members to be appointed from the minority list as stated in letter b) below, shall be appointed according to the sequential numbers assigned to them on the list, without prejudice to the provisions regarding a gender balance in compliance with all applicable legal and regulatory provisions in force; b) from the lists, other than the one in letter a) above, that are not related in any way, directly or indirectly, in compliance with all applicable legal and regulatory provisions in force, to the shareholders that have submitted or voted for the list in letter a) above, two Directors shall be appointed, proportionally to the percentage of votes obtained: to this purpose, the votes obtained by each list will be subsequently divided by one and by two. The quotients obtained in this way are then progressively attributed to the candidates of each list, according to their respective order. The quotients thus attributed to the candidates of the different lists shall be added together in a single decreasing ranking. The candidates who have obtained the highest quotients will be appointed. If more than one candidate obtains the same quotient, the candidate from

the list from which no Director has been appointed - or with the smallest number of Directors appointed - shall be elected. If no Director or the same number of Directors has been appointed from any of these lists, the candidate of the list with the highest number of votes shall be elected. In the event of a tie of the list votes - and of quotients - the Shareholders' Meeting shall vote again and the candidate who obtains the simple majority of votes is elected. The lists that have not obtained a percentage of votes at least equal to half of the percentage required for the submission of the lists voted on will not be taken into consideration for the purpose of these calculations. If, after following this procedure:

- the composition of the Board of Directors does not comply with all applicable legal or regulatory provisions on gender balance in force at the time, the candidate of the more represented gender, elected last based on the sequential number in the list that has obtained the highest number of votes, shall be replaced by the first candidate, based on the sequential order, of the less represented gender not elected from the same list. This substitution procedure will be adopted until the composition of the Board of Directors is compliant with all applicable legal or regulatory provisions in force in terms of gender balance. Finally, if this procedure does not ensure the aforementioned results, the replacement will be based on a resolution taken by the Shareholders' Meeting with a relative majority, upon submission of candidates belonging to the less represented gender;

- the number of appointed Directors meeting the independence requirements under Art. 148, Par. 3 of the Consolidated Finance Act, does not reach the minimum with respect to the total number of Directors, required in the Articles of Association, the candidate(s) who does(do) not meet these requirements, and was(were) elected last according to the consecutive numbers of the list that has obtained the highest number of votes, under letter a) above, shall be replaced by the first candidate(s) based on the same consecutive order, who meets/meet these requirements and was/were not elected from the same list, or, if for any reason, this is not sufficient, from the lists that have obtained the second highest number of votes, starting from the list under letter b) above, and continuing with the lists that come after that, based on the number of votes obtained, in decreasing order, provided that compliance with all applicable all applicable legal or regulatory provisions in force in terms of gender balance is ensured.

If this procedure does not produce the aforementioned results, the Shareholders' Meeting shall carry out the election with the majority required by law, upon submission of the candidacies of parties who meet the specified requirements, in such a manner as to ensure compliance, in all cases, with all applicable legal or regulatory provisions on gender balance in force. If two or more lists obtain an equal number of votes, the Shareholders' Meeting shall resort to a ballot with a resolution taken with the relative majority of votes, in such a manner as to ensure compliance, in all cases, with all applicable legal or regulatory provisions on gender balance in force. If only one list is submitted, the aforementioned procedure shall not be implemented and the Shareholders' Meeting shall resolve with the majorities required by law, with all Directors being elected from this one list, according to their sequential order and until the number previously specified by the Shareholders' Meeting is reached, without prejudice to the number of Directors meeting the independence requirements as set forth in Art. 148, Par. 3 of the Consolidated Finance Act reaching the minimum set by the Articles of Association, in such a manner as to ensure compliance, in all cases, with all applicable legal or regulatory provisions on gender balance in force. In the absence of lists and if through the vote mechanism per list, the number of elected candidates is lower than the minimum number set forth in the Articles of Association, the Board of Directors is, respectively, appointed or supplemented through a Shareholders' Meeting resolution taken with the majorities required by law. Also pursuant to the provisions of the previous paragraph, the Shareholders' Meeting must ensure the appointment of Directors who meet the independence requirements set forth in Art. 148, Par. 3, of

the Consolidated Finance Act, reaching at least the minimum set forth in the Articles of Association and in compliance with all applicable legal or regulatory provisions on gender balance in force.

Pursuant to Art. 11 of the Articles of Association, if, during a financial year, one or more Directors leave the Board, the Board shall replace them with a resolution to be approved by the Board of Statutory Auditors', in compliance with all applicable legal or regulatory provisions on gender balance in force, as follows: a) the Board of Directors shall replace the outgoing Director from the candidates of the same list to which he/she belonged, and the Shareholders' Meeting shall resolve on such replacement with the majorities required by law, following the same criterion; b) if there are no other non-elected candidates from this list or no other candidates meet the requirements specified, or if for any reason it is not possible to comply with the provisions under a), the Board of Directors, and subsequently the Shareholders' Meeting, shall replace the outgoing Director with the majorities required by law without voting on the lists.

In all events, the Board of Directors and the Shareholders' Meeting must ensure the appointment of a number of Directors who meet the independence requirements set forth in Art. 148, Par. 3, of the Consolidated Finance Act, equal at least to the minimum set forth in these Articles of Association and in compliance with all applicable legal or regulatory provisions on gender balance in force. The Directors thus appointed shall remain in office until the next Shareholders' Meeting and those elected by the Shareholders' Meeting shall remain in office for the same term as the outgoing Directors whom they are replacing. If for any reason, a majority of the Directors appointed by the Shareholders' Meeting leaves, the entire Board of Directors is dissolved, effective from at the subsequent reconstitution of the Board. In this case, the Shareholders' Meeting must be urgently convened to appoint the new Board by the Directors still in office.

The Articles of Association do not provide for independence requirements other than those provided for by Art. 148, Par. 3, of the Consolidated Finance Act, nor do they provide for integrity requirements, other than those specified by current legal provisions.

The Articles of Association do not specify professional requirements for the appointment to the office of Director.

The Company is not subject to provisions concerning the composition of the Board of Directors other than the provisions of the Italian Civil Code and the Consolidated Finance Act.

Succession plans

As at the Report Date, the Company has resolved not to adopt a succession plan for the Executive Directors, also in consideration of the fact that the professional expertise provided by the Board and the management, allow the Company to ensure continuity of its operations.

4.2. COMPOSITION (PURSUANT TO ART. 123-BIS, PAR. 2, LETTER D) OF THE CONSOLIDATED FINANCE ACT)

The Ordinary Shareholders' Meeting of 24 April 2018, having set the number of members of the Board of Directors at 11 (eleven), appointed, based on the 3 lists of candidates presented, respectively, by the majority shareholder Tecno Holding S.p.A., by Quaestio Capital SGR S.p.A. and by First Capital S.p.A., the Board of Directors currently in office, with the exception of director Gian Paolo Coscia, who was initially co-opted

pursuant to Art. 2386 of the Italian Civil Code by the Board of Directors on 23 July 2018 - following the resignation of director Alessandro Barberis on the same date - and subsequently confirmed by the Shareholders' Meeting of 7 November 2018.

The Board thus formed will remain in office until the date of the Shareholders' Meeting called to approve the financial statements for the year ended 31 December 2020.

For more information on the lists submitted for the appointment of the Board of Directors, reference should be made to the Governance section of the website, where resumes of the Directors, describing their professional characteristics, are available.

The Board of Directors in office at 31 December 2020 and at the Report Date, with 11 members, of which 7 meeting the independence requirements as set forth in the combined provisions of Art. 147-ter, Par. 4 and Art. 148, Par. 3 of the Consolidated Finance Act, as well as Art. 3 of the Code of Conduct, includes the following:

Name and Surname	Office
Enrico Salza (f)	Chairperson and director in charge of the internal control and risk management system
Riccardo Ranalli (c)(d)(e)	Deputy Chairperson
Pier Andrea Chevallard	Managing Director
Laura Benedetto (a)(b)(e)	Independent director
Elisa Corghi (a)(b)(d)(e)	Independent director
Gian Paolo Coscia (a)(b)(d)(e)	Independent director
Paola Generali (a)(b)(c)(e)	Independent director
Giada Grandi (a)(b)(c)(e)	Independent director
Lorena Pellissier (a)(b)(c)(e)	Independent director
Alessandro Potestà (d)(e)	Non-executive director
Eugenio Rossetti (a)(b)(c)(d)(e)	Independent director

(a) Director who meets the independence requirements pursuant to the Code of Conduct.

(b) Director who meets the independence requirements pursuant to the Consolidated Finance Act.

(c) Member of the Remuneration Committee.

(d) Member of the Control and Risk Committee.

(e) Non-executive director.

(f) Director in charge of the Internal Control and Risk Management System.

Please refer to Table 1 in the annex for further details on the composition of the Board of Directors.

We provide below a brief profile of each Director in office with details of their main personal and professional characteristics.

Enrico Salza (Chairperson) – Engineer with an Honours Degree in Management Engineering from “Politecnico di Torino”, enrolled in the Register of Auditors since 21 April 1995. He has been conferred the honorary titles of Knight of the Grand Cross, Knight of Sovereign Military Order of Malta and Knight of the Order of Merit for Labour. He is the Chairperson of Tecno Holding, Tinexta and Intesa Sanpaolo Highline S.r.l., Director of ABI, Associazione Bancaria Italiana, member of the Council and Steering Committee of Assonime (association of Italian corporations), Director of the Cini Foundation of Venice and of numerous other institutions and associations. From 1984 to 1995, he served as Vice Chairperson for Istituto Bancario San Paolo. From July 1996 to February 2004, he served as Director of Compagnia di San Paolo. From 29 April 2004 to 31 December 2006, he held the office of Chairperson of Gruppo San Paolo IMI S.p.A. From January 2007 to April 2010, he held the office of Chairman of the Management Board of Intesa Sanpaolo S.p.A. From 20 April 2012 to 30 June 2015, he held the office of Chairman of Banca Fideuram (Gruppo Intesa Sanpaolo). He served as Director of the multinational Swedish Match of Stockholm; Director of UBS Italia; Director of the company of economic studies Nomisma S.p.A.; Vice Chairperson and Managing Director of Il Sole 24 Ore, Mondo Economico and Il Sole 24 Ore System. He also served as Chairperson of the Chambers of Commerce of Turin, National Deputy-Chairperson of the Chamber of Commerce and member of the Confindustria Commission.

Pier Andrea Chevallard (Managing Director) – He obtained a Degree in Political Science from Università degli Studi di Torino. From 1993 to April 2017 he was Director of Promos Internazionalizzazione e Marketing Territoriale/Azienda Speciale CCIAA of Milan. He held the position of General Secretary of the Chamber of Commerce of Milan from November 2001 to December 2014. From 2007 to 2017 he was Managing Director of PARCAM S.r.l. From 2010 to April 2017 he was a member of the Board of Directors of Fiera Milano S.p.A. He is General Manager and Managing Director of Tinexta and Managing Director of Tecno Holding.

Riccardo Ranalli (Deputy Chairperson) - Graduated in Economics and Business from the University of Turin in 1979, enrolled in the Register of Chartered Accountants of Turin on 22 July 1982, as well as enrolled in the Register of Auditors since its establishment. He has held numerous institutional and scientific positions, among which, the position of Coordinator of the CNDCEC Commission on the reform of corporate crises, Member of the Committee of experts on economic and social sciences (known as the "Colao" task force), the position of Master teacher at La Sapienza, Bergamo University, Siena University, LUISS Business School, the Catholic University of the Sacred Heart, Management Training School in Milan, Turin, Florence, Bologna Triveneto, the Management Training School SAFM of Turin Polytechnic, the Graduate School of the Magistracy. Author of numerous publications in various fields, in particular on the subject of corporate crises. He holds and has held positions as auditor and director in banks, insurance companies, financial intermediaries, IT, manufacturing and services companies.

Laura Benedetto (Director) – Graduated in Economics and Commerce at Università di Ancona, she is registered in the Register of Certified Public Accountants and Auditors. She is a Director with delegated powers for Kos Care and, for the same company, Regional Manager for Lazio Umbria and Tuscany and Director of a healthcare facility. She is an auditor and member of the Supervisory Board of CFMI. She is an auditor for InfoCamere S.C.p.A. and Pitti Immagine S.r.l. She was Secretary General of the Florence Chamber of Commerce, Director of the special company PromoFirenze and Chairperson of the Chamber of Arbitration. She was Director General at Ausl 7 in Siena, Administrative Director and MD in public and private healthcare facilities in Emilia-Romagna and Marche. She has held the position of Deputy Chairperson of Ams S.p.A. and auditor for various municipalities and company boards of statutory auditors, as well as Chairperson and member of Nuclei di Valutazione di Aziende.

Elisa Corghi (Director) – Graduated with a Degree in Business Economics from Università Commerciale Luigi Bocconi in 1996, she has built a considerable expertise in roles with increasing responsibilities in the marketing department of Barilla Alimentare and Kraft Foods. Subsequently, she worked for over fifteen years in the financial analysis of listed companies in the role of Consumer and Luxury Goods Senior Financial Analyst with Intermont SIM, a primary operator in the Italian market, of which she was a partner. She collaborated with a digital start-up in the fashion-clothing sector. She was a board member of Recordati. She is an independent board member of Pitti Immagine, Corneliani, Basicnet, DiaSorin and Nexi.

Gian Paolo Coscia (Director) – After graduating from the Technical Institute “Vinci” of Alessandria, he became an agricultural entrepreneur, owner of "Cascina Opera di Valenza" a farming business located near Alessandria and Montecastello and focused on cereal production. He was chairperson of Confagricoltura Alessandria from 2004 to 2013 and chairperson of Confagricoltura Piemonte from 2011 to 2017. He served as a director of Soc. Coop. Produttori Mais di Alessandria r.l.; in Finbieticola Casei Gerola S.r.l. he held the position of director and since 2015 he has been the sole director. In 2017 he was appointed member of the Board of Directors of Terrae S.p.A. and in 2018, after having been a director, he took on the role of Chairman of Centrale del Latte di Alessandria e Asti S.p.A. In 2004 he joined the Board of the Chamber of Commerce of Alessandria, becoming President in 2013 and consequently also assuming the presidency of Asperia - Special Company of the Chamber of Commerce. In the same year he became a member of the Unioncamere Piemonte council. He has been appointed a member of the control committees of InfoCamere Società Consortile di Informatica of the Italian Chamber of Commerce in 2016 and IC Outsourcing Società consortile a r.l. in 2017. Since 2018 he has been Chairperson of Centrale del Latte di Alessandria and on 12 December 2014 he was appointed Knight of the Italian Republic.

Paola Generali (Director) – Graduated in Banking, Financial and Insurance Sciences at Università Cattolica di Milano in 2000, she joined Intesis S.r.l., where she focused on compliance and information system security. Later she became Security Area Manager in Cryptonet S.r.l. In 2003 she founded GetSolution, a consulting firm specialising in "Compliance, IT System Security and Governance". Currently she occupies the following roles: Director of the Milan, Monza Brianza and Lodi Chamber of Commerce; Vice-chairperson of Assintel (National Association of ICT Enterprises of Confcommercio); Director of Speed MI UP; Member of the Women's Enterprise Committee of the Milan, Monza Brianza and Lodi Chamber of Commerce; Coordinator of the Assintel Information Security Working Group.

Giada Grandi (Director) – With a Law Degree from Università degli Studi di Bologna, in 1986, she has specialised in administrative law, administration science and tax law. She was admitted to the bar in 1990 and was appointed Director of Section I of the Presidency of the Council of Ministers of the Regional Administrative Court of Emilia Romagna. Knight of the Order of Merit for Labour since 27 December 1996. She is a Director of Aeroporto Guglielmo Marconi Bologna S.p.A., of InfoCamere, BMTI, Bologna Welcome, Sistema Camerale Servizi S.C.r.l.; since 2010 she is General Secretary of the Chamber of Commerce, Industry, Handicraft and Agriculture of Bologna. She was Deputy Chairman of Bologna Fiere S.p.A.

Lorena Pellissier (Director) – She earned a Degree in Business Economics from Università Commerciale Luigi Bocconi in 1995. She is a Certified Public Accountant and Certified Financial Auditor. She has gained substantial experience in national and international tax consulting, with a particular speciality in the taxation of financial companies. She has served and continues to serve as statutory auditor and sole auditor in various companies of an industrial and commercial nature. She is a partner in Studio Belluzzo International Partners, where she works in the corporate department, providing ongoing tax assistance and taking part in the review of the tax aspects of listed companies and/or acquisition operations (tax due diligence).

Alessandro Potestà (Director) – With a Degree in Economics and Business from Università di Torino, he has worked for many years as a financial analyst, taking part in equity and restructuring transactions for leading groups in Italy and abroad. In 2011, he established his own investment and strategic consulting company, Quid Capital. From 2012 to 2014, he was senior advisor at DVR Capital of Milan, in charge of strategic consulting (search for partnerships for development and corporate restructuring and reorganisation). Since 2015, he has been senior portfolio manager for the alternative investment fund Italian Growth Fund, which focuses on small and medium sized Italian listed companies.

Eugenio Rossetti (Director) - A graduate in Mechanical Engineering from the University of Rome, he has acquired substantial management skills in the banking sector. In particular, he has gained work experience in the following companies: - Istituto Mobiliare Italiano (1982-1994), where he held various positions, most recently Head of Regional Area; IMI Bank (LUX) SA (1994-1998), where he was General Manager & Member of the Executive Committee; San Paolo IMI (1999-2006) where he held various positions in Italy and in the United Kingdom, including those of Chief Manager for Europe and Head Credit (Italy); Intesa Sanpaolo (2007-2017) with the role, since 2008, of Chief Lending Officer and Chair of the Group Credit Committee. From 2008 to April 2020, he held various positions as director in companies of the Intesa Sanpaolo Group. He has been carrying out administrative duties in the Tinexta Group since 2018. Since 4 April 2020 he has been a Director of Banco BPM S.p.A. and since 7 April 2020 he has been Chairman of the Internal Control and Risk Committee.

As of the end of the financial year, no member of the Board of Directors had ceased to hold office, nor was there any change in the composition of the Board of Directors.

Diversity criteria and policies

As at 31 December 2020, the composition of the Board of Directors of the Company ensures a balanced representation of genders, according to the laws and regulations in force on that date, which provide that at least one third of the Board of Directors to belong to the less represented gender in the two subsequent terms of office. In line with the above provisions and the recommendations of the Code of Conduct, the Company has for some time now been promoting diversity, including gender diversity, in the composition of the Board of Directors, while pursuing the priority objective of ensuring suitable competence and professionalism among its members.

On renewal of the Board of Directors, on 24 April 2018, the Shareholders' Meeting appointed five female members of the Board of Directors, pursuant to the current provisions of Art. 147-ter of the Consolidated Finance Act: Laura Benedetto, Elisa Corghi, Paola Generali, Giada Grandi and Lorena Pellissier. Furthermore, the characteristics of the members of the Board of Directors shall be such as to ensure an adequate level of diversity, not only in terms of gender composition, but also with regard to aspects such as age, training and professional experience. In particular, the Board is composed of two executive and nine non-executive directors, seven of whom are independent.¹

As at the Report Date, Art. 147-ter, Par. 1-ter, of the Consolidated Finance Act provides for the allocation of directors to be elected to be carried out in such a way that the less represented gender accounts for at least two-fifths of the directors elected. This criterion, which will apply from the first renewal of the Board of Directors after the entry into force of the new legal provision, i.e. 1 January 2020, has already been complied with by the Board of Directors at the Report Date, with 5 out of 11 directors chosen among women.

¹ The Chairperson is counted among the executive directors, being in charge of the internal control and risk management system.

Currently Tinexta has not adopted a specific policy in relation to the issue of diversity pursuant to Art. 123-bis, Par. 2, letter d-bis, of the Consolidated Finance Act, considering in any case that the Company's process for the selection of members of the administration and control bodies already takes into account relevant aspects such as age, gender and the educational and professional background of the members. In particular (i) the Company's Board of Directors includes 5 Directors belonging to the less represented gender, in compliance with legal provisions on gender balance; (ii) there is a wide age range among the members of the Board of Directors, between 46 and 81 years; (iii) the educational and professional background of the Directors currently in office guarantees a balanced combination of profiles and experience within the administrative body suitable to ensure the correct performance of its functions.

So far, Tinexta has not adopted measures to promote equal treatment and opportunities between genders within the company organisation as a whole.

Maximum number of offices held in other companies

The Company, also based on the results of the self-assessment questionnaire for the 2020 financial year, decided not to set general criteria for the maximum number of management and control positions in other companies compatible with an effective performance of the role of director in Tinexta, considering it unnecessary to introduce restrictions in this respect.

Without prejudice to the fact that, according to the recommendations of Principle 1.C.2. of the Code, directors are urged to accept the office when they believe that they can devote the necessary time to the diligent performance of their duties, each member of the Board of Directors is required to act with full knowledge of the facts and in autonomy, pursuing the objective of creating value for the Shareholders in the medium-long term and undertakes to devote the time required for the office held in the Company to ensure the diligent performance of their functions, regardless of positions held outside the Tinexta Group, being fully aware of the responsibilities inherent to the office held.

To this end, candidates for the office of Director must assess in advance, at the time they accept the position in the Company, regardless of the limits set by the legal and regulatory provisions on the accumulation of offices, their own ability to perform with due care and effectiveness the tasks assigned to them, in particular, taking into account the overall commitment required by the offices held outside the Tinexta Group.

Each member of the Board of Directors must also promptly inform the Board of any position as director or statutory auditor taken in other companies, to allow the disclosure obligations pursuant to the applicable legal and regulatory provisions to be fulfilled.

As part of the board evaluation for the financial year carried out by the Board of Directors on 12 March 2021 (described in detail in Section 4.3 below), the Board was supported by an external consultant, Crisci&Partners; through interviews and a questionnaire, the consultant asked each Director to provide their own evaluations, comments and suggestions regarding the size and operation of the Board of Directors, the Remuneration Committee and the Control and Risk Committee, taking into account the recommendations of the Code of Conduct, also for the purposes of ensuring that the number and type of the roles held does not interfere with the effective performance of the directorship at the Issuer.

Induction programme

The information provided to the Board is such that the Directors are able to gain adequate knowledge of the business sector in which the Issuer operates, of corporate dynamics and their development, as well as of the related legal, regulatory and self-regulatory frameworks of reference. The Chairperson and Managing Director of

the Company also ensured, through meetings between the Company's top management and the Directors, that the latter would obtain in-depth information and explanations on the activities and projects of the Tinexta Group, the sector in which this operates, as well as on the regulatory and self-regulatory framework of reference. In particular, during the financial year, directors and statutory auditors had the opportunity to increase their knowledge of the sector in which the Company operates by participating in board meetings in which issues relating to corporate dynamics and their development were discussed in depth, such as those in which investments were approved.

4.3. ROLE OF THE BOARD OF DIRECTORS (PURSUANT TO ART. 123-BIS, PAR. 2, LETTER D) OF THE CONSOLIDATED FINANCE ACT)

In compliance with the provisions set forth in Principles 1.P.1 and 1.P.2. of the Code of Conduct, the Company is governed by a Board of Directors which plays a central role within its corporate governance system, in particular in organising, directing and managing the company to achieve the corporate purpose, maximise value for shareholders in the medium-long term and ensure compliance with the expectations of the other stakeholders.

Pursuant to Art. 13 of the Articles of Associations, the Board of Directors meets at the registered office of the Company or at other designated locations, whenever the Chairperson or someone acting in their place deems it necessary, at least once a quarter, or upon written request by at least one third of the Board's members.

The Board may also be convened, subject to prior notice to the Chairperson of the Board itself, by the Board of Statutory Auditors or by an individual Statutory Auditor, according to the applicable provisions of law.

The notice of call may also be sent by electronic means able to ensure prompt delivery, at least three days before the meeting, to each Director and Statutory Auditor; in urgent cases, the meeting shall be called by electronic means able to ensure prompt delivery sent with at least one day's notice. The meeting may be held by teleconference or videoconference. In such cases, the following must be ensured: a) the identification of all participants from each location connected; and b) the opportunity for each of the participants to intervene, to verbally express their opinion, to review, receive and transmit all the documentation, c) the simultaneousness of the review and resolution issuance process. The meetings of the Board of Directors are considered to be held at the place where the Chairperson and the Secretary are located.

Pursuant to Art. 16 of the Articles of Association, the Board of Directors is granted the broadest powers for the ordinary and extraordinary management of the company. It may therefore adopt all measures believed to be necessary and appropriate to achieve the company's objectives, except those that the law expressly reserves for the Shareholders' Meeting. The Board of Directors resolves on the issuing of bonds that are non-convertible in, or bonds without warrant that enable the subscription of, newly issued shares of the company, in compliance with the law's terms and conditions.

The Board is granted the broadest powers as regards the ordinary and extraordinary management of the Company for the achievement of the company's purpose. More specifically, in applying the Application Criterion 1.C.1. of the Code of Conduct, the Board of Directors:

- (1) reviews and approves the strategic business and financial plans of the Company and of the Tinexta Group led by this, while monitoring, on a regular basis, their implementation, and defines the corporate governance system of the Company and the structure of the Tinexta Group;

- (2) defines the nature and the level of risk compatible with the strategic objectives of the Company, including in its assessments all the types of risk that may acquire relevance in terms of the sustainability, in the medium-long term, of the Company's activities;
- (3) assesses the suitability of the organisational, administrative/accounting structures of the Company and of subsidiaries with strategic relevance, with a particular focus on the internal control and risk management system;
- (4) grants and withdraws powers delegated to the Directors, establishing the limits and manners for the exercise of such powers and the frequency, in any case not exceeding the quarter, with which the appointed bodies must report to the Board of Directors on the activities performed in relation to the powers granted;
- (5) after reviewing the proposals of the Remuneration Committee and hearing the opinion of the Board of Statutory Auditors, sets the remuneration of managing directors and directors holding special offices, also pursuant to Art. 2389, Par. 3, of the Italian Civil Code;
- (6) assesses the general company performance and the results achieved against the plan;
- (7) reviews and approves in advance any transaction of strategic, economic and financial significance, carried out by the Company and its subsidiaries;
- (8) provides, at least once a year, an assessment on the size, composition and operations of the Board itself and of its Committees, also taking into account elements such as professional characteristics, experience, including in management, as well as gender and seniority of its members. Taking into account the outcome of this assessments, it provides the shareholders, before the appointment of a new Board, with guidelines on the managerial and professional profiles of the members who ought to be appointed to the Board;
- (9) provides information, in the Corporate Governance Report, on the methods of application of the criteria set forth in the Code of Conduct concerning the role, operations and composition of the Board;
- (10) reports to the Board of Statutory Auditors, at least once a quarter, on the activities carried out and on the most significant transactions.

The Board of Directors is also entitled, without prejudice to Art. 2436 of the Italian Civil Code, to resolve on the following:

- (i) mergers in the cases listed under Art. 2505 and 2505-bis of the Italian Civil Code and demergers in the cases in which these rules are applicable;
- (ii) reductions of the share capital in the case one or more shareholders withdraw;
- (iii) changes to the Articles of Association to comply with legal and regulatory provisions;
- (iv) indication of which directors represent the company;
- (vii) establishment or closing of branches;
- (viii) the transfer of the registered office to another municipality in the national territory.

During the financial year, nine meetings of the Board of Directors were held (with an average duration of about 1.7 hours). Under the terms set forth in the Stock Exchange Regulations, the annual calendar of corporate events for the financial year was sent to Borsa Italiana S.p.A. and published on the website. The calendar includes the

dates of the meetings called to approve the results for the year and for interim periods. For the current financial year, five meetings of the Board of Directors are scheduled for the approval of the accounting data. Two of these have already been held: respectively on 23 February 2021, to approve the preliminary results and the 2021 – 2023 Economic and Financial Plan, and on 12 March 2021 to approve the draft separate and consolidated financial statements.

The actual participation of each Director in the meetings of the Board has been reported in percentage form in Table 1 of the annex. Altogether, the average attendance of Directors at these meeting was about 89%.

The timeliness and completeness of pre-board information is guaranteed by the involvement of the competent corporate structures, which take care of and coordinate the preparation of documentation, each time required for the discussion of the specific items on the agenda. In cases where it is not possible to provide the necessary information in advance, the Chairperson of the Board of Directors shall ensure that adequate and timely in-depth information is provided during Board sessions. The delivery of the documentation to the Directors and Statutory Auditors is handled by the Corporate Affairs Secretariat, which coordinates with the Chairperson well in advance of the date of the meetings, usually three days before the date set, adequately taking into account the confidentiality and price sensitivity of certain topics (such as, for example, projects of particular strategic importance for the Company's business, on which the Chairperson and Managing Director report directly to the Board, initiating the consequent process of examination and assessment by the Board), as well as the urgency of certain topics.

The Chairperson and the Managing Director must ensure that the items on the agenda are given the time necessary for a thorough discussion, and encourage a constructive discussion at the meeting, with input from all directors.

The meetings of the Board of Directors are attended, at the invitation of the Chairperson, by the Manager responsible for drawing up the financial statements ("Financial Reporting Manager"), the Key Managers, as well as the other managers of the Company and the Tinexta Group responsible for the functions to which the matters discussed by the Board relate to, so that they can provide the most appropriate and accurate in-depth analysis and clarification during the meetings to the Directors and the Statutory Auditors.

Pursuant to the recommendations in Art. 1.C.1., letter e) of the Code of Conduct and the provisions of Art. 13 of the Articles of Association, the Managing Director reported to the Board of Directors and the Board of Statutory Auditors on the general company performance during all meetings of the Board of Directors held during the financial year. The Board of Directors has therefore constantly assessed and monitored the general company performance, taking into account the information provided by the Managing Director and regularly comparing the results achieved with those planned based on the Company's strategic, industrial and financial plans. Moreover, the Board of Directors did not deem it necessary to set in advance general criteria for identifying transactions that have a significant strategic, economic, equity or financial importance for the Company and its subsidiaries, considering it preferable to make such an assessment each time based on the information received from the executive directors.

During the financial year, at the meeting held on 12 March 2021, the Board assessed the suitability of the organisational, administrative/accounting structure and, in particular, the internal control and risk management systems of the Company and its subsidiaries. To such end, the Board of Directors received and reviewed (a) the information and/or the documentation provided by the Financial Reporting Manager on the testing of control procedures put in place to ensure the correctness, completeness and validity of the information provided in the financial statements and (b) the reports on the state of the internal control and risk management system prepared

by the Control and Risk Committee, based on the assessments conducted by the head of the internal audit function of the Tinexta Group (“Internal Audit Manager”). The Board has based its assessments on the internal control and risk management system on this information and has also taken into consideration the improvement plans implemented, and the residual risk to which the Tinexta Group is exposed.

The Board of Directors also assessed the general company performance at least once a quarter, taking into account the information received from the Managing Director and regularly comparing the results achieved with those planned.

Pursuant to the recommendation in Art. 1. Par.1., letter g, of the Code of Conduct, the Board of Directors, at its meeting of 12 March 2021, also assessed the operation of the Board itself, the Remuneration Committee and the Control and Risk Committee, as well as their size and composition, also taking into account the professional characteristics, experience, including managerial experience, and gender of the members and therefore the diversity criteria set out in Art. 2 of the Code of Conduct and their seniority in office (so-called board evaluation), based on a specific questionnaire divided into different areas of investigation (i.e. composition, structure, size and operations of the Board, interaction with management, risk governance, composition and structure of committees, etc.), with the option of providing comments and making proposals. This questionnaire was submitted and completed by all Directors. As a result of this self-assessment, the Board believes the administrative body to be able to perform the functions assigned to it by current laws and regulations and the size, composition and operation of the Board itself and its committees to be adequate in relation to the management and organisational needs of the Issuer, also taking into account professional characteristics, experience, including managerial experience, of its members, their seniority in office and the presence, out of a total of 11 (eleven) members, of 9 (nine) non-executive directors, of which 7 (seven) are independent non-executive directors, which also guarantees a suitable composition for the Committees established within the Board. The Shareholders' Meeting did not authorise exceptions to the non-competition provision in Art. 2390 of the Italian Civil Code.

4.4. DELEGATED BODIES

Pursuant to Art. 18 of the Articles of Association, within the limits set by the law and the Articles of Association, the Board of Directors may delegate its powers to an Executive Committee composed of some of its members and to a Managing Director; it may delegate specific powers to one or more of its members, and appoint, on the proposal of the Managing Director, one or more general managers, division managers, managers, proxies and representatives in general for certain acts or categories of acts.

Managing Director

At its meeting on 24 April 2018, the Board of Directors granted to the Managing Director, Pier Andrea Chevallard, the following powers:

1. to ensure that the organisational, administrative/accounting structure of the Company is suited to the nature and size of the business, reporting to the Board of Directors and to the Board of Statutory Auditors, at least once a quarter, on the general performance and outlook of the Company as well as on the most significant transactions, in terms of size or characteristics, carried out by the Company and its subsidiaries;
2. to ensure the performance of the activities included in the Company's corporate purpose;

3. to define the organisational and functional chart of the Company;
4. to manage the Company's human resources, excluding the relationship with the General Manager and without overlapping with the activities carried out by this, reporting directly to the Board of Directors;
5. to plan the funding needs of the Company and, in the interest of the Group, acquire and manage the resources necessary to cover the funding needs resulting from the business plan and budget approved by the Board of Directors;
6. to identify opportunities for investments and disinvestments, preparing all appropriate information reports to submit to the Chairperson of the Board of Directors so that this can submit their reasoned approval to the Board of Directors;
7. to organise and supervise the financial information flow of the Company and of the Group and establish relationships with the shareholders, and in particular with the controlling shareholder, except for external relationships, which remain the responsibility of the Chairperson of the Board of Directors;
8. to maintain relationships with Consob and Borsa Italiana, as well as with any other competent authorities, as necessary;
9. to provide for the Company's financial and administrative management and therefore, by way of example only and not limited to, the power to:
 - (i) perform any type of banking transactions; open and close current bank accounts in the name of the Company with banks, credit institutions, postal and telegraphic offices and other offices and entities; deposit in these accounts any amount pertaining to the Company; carry out transactions such as writing cheques and ordering bank transfers or payments in general, including overdrawn payments and arrange for the transfer of funds among the current accounts of the Company, all of the above with no maximum limits;
 - (ii) invest in corporate liquidity by subscribing to, buying and selling Government securities and bonds issued by leading institutions (governments of European Union countries, qualified international bodies) with an investment grade rating and a residual maturity of no more than 18 months;
 - (iii) authorise use of expenditure within the limits of the annual budget approved by the Board of Directors;
 - (iv) propose to the Chairperson, for its inclusion in the agenda, the appointment of executives, proposing their remunerations, as well as, when it is the case, their revocation;
 - (v) recruit employees, other than executives, as well as approve any supplementary agreements and any performance bonuses to personnel.
10. provide for the management of company shareholdings, and therefore, by way of example but not limited to, the power to intervene in the shareholders' meetings of companies in which the Company has invested or may invest in the future; vote on agenda items, with the right to decide, among other things, on changes to the Articles of Association, the start of liquidation proceedings or the withdrawal of shareholders, and with the right to accept the position of Director should they be appointed by the Company;
11. hold, also based on their experience and competence, the role of "Employer", with all the widest powers descending from legislation on safety at work, in order to implement the provisions of law, regulations and company regulations on the subject of safety of workers and workplaces, with the express power to

delegate authority to their managers, collaborators and persons in charge, as well as to third parties and appoint the person responsible for safety and prevention. To this end, all management and organisational powers are conferred, with attached decision-making and spending autonomy, the latter being understood to be unlimited and, therefore, with the option of directly and autonomously engaging the Company for any obligation, as well as any hierarchical power over workers, including those in the management category.

12. in general, the power to carry out all acts, both ordinary and extraordinary, deemed necessary and appropriate in their prudent assessment for the achievement of the corporate purpose, with the exception of acts that cannot be delegated by law and by the Articles of Association, those delegated to the Chairperson of the Board of Directors, as well as the matters indicated below which fall within the exclusive competence of the Board of Directors:
 - (i) purchase, sale, exchange and assignment of properties;
 - (ii) execution of loan agreements and granting of guarantees, except for those that are respectively executed, granted or assumed with, or in the interest of, subsidiaries and/or investee companies, in excess of a € 2,000,000 (two million), and assumption of financial debts outside of the normal management cycle;
 - (iii) approval of the annual budget and multi-year planning;
 - (iv) recruiting, appointment and dismissal of executives and decisions on their remuneration,

all with a single signature and with the authority to represent the Company within the limits of the powers conferred, with the right to sub-delegate and to grant powers of attorney for individual acts or categories of acts to third parties.

On 24 April 2018, the Board confirmed and granted Pier Andrea Chevallard, as General Manager, the powers to be exercised with single signature, already attributed to him by resolution of 30 January 2015, namely:

- to coordinate, manage, develop and control independently or reporting directly to the Board of Directors, the subsidiaries, by interacting directly with their functions;
- to define the information flows from the subsidiaries to Tinexta;
- to propose to the Board of Directors the strategic plans for the development of the investee companies; to interact with the main functions of these; to define, supervise and assess the actual implementation of the action plans;
- to supervise the formulation of the business plan and the budgets of the Group interacting with the subsidiaries, and submitting them, at least once every three years the former, and once a year the latter, for the approval by the Board of Directors;
- to seek out opportunities of synergies and cross selling among the companies of the Group;
- to propose to the Board of Directors, through its Chairperson, additions, mergers and demergers, as well as extraordinary transactions within the subsidiaries.

With a particular reference to the company shareholdings, including but not limited to, and always with single signature, he may:

- ensure the coordination, development and control of the subsidiaries;

- finalise, after consulting with the Chairperson, the purchase and sale of equity investments in companies and entities for an amount not exceeding €1,000,000.00 (one million/00).

The Managing Director Pier Andrea Chevallard also acts as Chief Executive Officer and does not hold the position of Director in another listed issuer in which a Director of the Company is Chief Executive Officer.

Chairperson of the Board of Directors

The Company's Board of Directors, on 24 April 2018, has conferred to its Chairperson, Enrico Salza, without prejudice to his powers to represent the Company within the limits set forth in the Articles of Associations, the following powers as well as the authority to delegate single transactions or categories of transactions:

- to chair the meetings of the Board of Directors, coordinating its works;
- to decide on the agenda of the meetings of the Board of Directors, also taking into account the draft resolutions submitted by the Managing Director, ensuring that all necessary information on the agenda items be provided to all Directors;
- to adopt, in agreement with the Managing Director, any urgent measures in the interest of the Company, reporting about said measures to the Board of Directors at the next meeting;
- to appoint, after consulting the Managing Director, the members of the administrative and control bodies of the subsidiaries and consortiums in which the Company holds an interest and in entities in which the Company has the right to appoint them;
- to carry out the external activities of the Company, also availing themselves of external collaborators and consultants, conferring, to this end, specific assignments;
- to establish and maintain an effective internal control and risk management system ("**Director in charge of the internal control and risk management system**");
- to identify, by maintaining a constant dialogue with the Managing Director, opportunities and risks of the entire business that represents the purpose of the company, while keeping the Board of Directors informed so as to enable it to make their decisions.

According to the Articles of Association, the Chairperson represents the Company before any administrative, fiscal, ordinary and special judicial authority at any level and place and has the power to sign any deed or declaration, proposing and supporting actions, defences, exceptions, appointing and revoking solicitors and attorneys.

Deputy Chairperson of the Board of Directors

On 14 November 2018, the Company's Board of Directors appointed Riccardo Ranalli as Deputy Chairperson; pursuant to Art. 12 of the Articles of Association, this shall replace the Chairperson in the event of the latter's absence or impediment, in which case the Deputy Chairperson represents the Company.

Executive Committee

At the date of the Report, no Executive Committee had been established.

Information flow to the Boards

Pursuant to Art. 19.3 of the Articles of Association and in compliance with best practices, the Managing Director reports promptly to the Board of Directors and to the Board of Statutory Auditors at least once a

quarters, and in any case at the meetings of the Board of Directors, on the activities carried out, on the general performance and outlook of the Company as well as on the most significant operations, in terms of size or characteristics, carried out by the Company and its subsidiaries; in particular, the Managing Director reports on operations in which they hold a shareholding – personally or on behalf of third parties.

For more information on the information provided by the Managing Director to the Board during the financial year, see Section 4.3 above.

4.5. OTHER EXECUTIVE DIRECTORS

In the Board of Directors there are no other directors that are considered executive by virtue of the offices they hold in the Company or in other Tinexta Group companies.

4.6. INDEPENDENT DIRECTORS

In compliance with the recommendations in Art. 3 of the Code of Conduct and in compliance with the provisions in Art. 10 of the Articles of Association, the Board of Directors in office as at 31 December 2020, the Report Date, includes 7 (seven) independent directors in the persons of Laura Benedetto, Elisa Corghi, Gian Paolo Coscia, Paola Generali, Giada Grandi, Lorena Pellissier and Eugenio Rossetti, who meet the independence requirements prescribed by the combined provisions of Art. 147-ter, Par. 4 and Art. 148, Par. 3, of the Consolidated Finance Act.

The Company believes that an adequate number of independent directors has therefore been identified, also for the purposes of the composition of the committees described in Sections 8 and 10 below.

The Board of Directors, appointed by the ordinary Shareholders' Meeting on 24 April 2018, in the meeting held on that day, verified that the Directors Alessandro Barberis (who subsequently resigned on 23 July 2018), Laura Benedetto, Elisa Corghi, Paola Generali, Giada Grandi, Lorena Pellissier and Eugenio Rossetti met the independence requirements set out in the combined provisions of Art. 147-ter, Par. 4 and Art. 148, Par. 3, of the Consolidated Finance Act, as well as Art. 3 of the Code of Conduct. On 28 July 2018, the Board of Directors verified that Director Gian Paolo Coscia (co-opted following the resignation of Director Alessandro Barberis on 23 July 2018) met the aforementioned independence requirements. The outcome of these assessments was announced in a press release.

The procedure followed by the Board of Directors to verify the independence of Directors provides for these to state that the independence requirement has been met when submitting their own candidature, as well as when accepting the office; this statement shall be verified by the Board at the first meeting following the appointment, based on the information available. The outcome is then be announced in a press release. The assessment shall be repeated when circumstances relevant to independence arise and in any case once a year when the Board approves the draft financial statements.

The annual verification of the independence requirements for each of the non-executive directors in compliance with the recommendations in Art. 3.C.4 of the Code of Conduct was carried out by the Board on 12 March 2021. The Board of Statutory Auditors, on 11 March 2021, verified the correct application of the assessment criteria and procedures adopted by the Board to assess the independence of its members. With regard to 2020, the Board of Statutory Auditors will report the outcome of its audit in its report to the Shareholders' Meeting.

For the sake of completeness, it should be noted that the Directors Giada Grandi and Gian Paolo Coscia hold key positions in Chambers of Commerce that participate in the share capital of the company Tecno Holding S.p.A., which controls the Issuer.

During the financial year, the independent directors did not deem it necessary to meet in the absence of the other directors, as they considered the regular Board meetings to be suited to discuss the operations of the Board of Directors and the governance issues concerning the Company.

Finally, it should be noted that the Directors Gian Paolo Coscia, Laura Benedetto, Elisa Corghi, Paola Generali, Giada Grandi, Lorena Pellissier and Eugenio Rossetti, in their statements, in which they accept the position of Director of the Company and confirm that the requisites for assuming the position have been met, have indicated to be eligible to be classified as independent while undertaking to promptly inform the Board of Directors and the Board of Statutory Auditors of any changes in their requisites, including those relating to independence, as well as of any cause for termination.

4.7. LEAD INDEPENDENT DIRECTOR

In the light of that indicated in the sections above, the conditions envisaged by Art. 2.C.4 of the Code of Conduct for the appointment of a Lead Independent Director have not been fulfilled.

5. TREATMENT OF CORPORATE INFORMATION

The Board has adopted:

- (i) at the meeting of 17 May 2016, the "*Procedure for the public disclosure of inside information*", as last amended and approved by the Board, which regulates the management and treatment of inside information as defined in Art. 7 of the MAR and the rules for the external disclosure of documents and information concerning Tinexta, taking into account, more generally, the existing legislative and regulatory provisions aimed at preventing and combating market abuse;
- (ii) at the meeting held on 17 May 2016, the "*Procedure for the management of the list of persons who have access to inside and relevant information*", as last amended and approved by the Board in compliance with the legal and regulatory provisions contained in Art. 18 of the MAR, which require listed issuers to create and manage a list of persons who, in view of their employment or profession or in view of the functions performed, have access to inside information;
- (iii) on 17 May 2016, approved the "*Procedure for compliance with internal dealing requirements*", as last amended and approved by the Board, aimed at regulating disclosure requirements to Consob and the public relating to the fulfilment by "relevant persons" and "persons closely associated with them", identified according to the MAR, of transactions involving financial instruments issued by the Company.

These procedures are available on the Company's website, www.tinexta.com and reference should be made to these for further details.

6. BOARD COMMITTEES

In order to render its corporate governance model compliant with the recommendations in Art. 4, 6, Principle 6.P.3 and in Art. 7, Principle 7.P.3, letter (a) sub (ii) of the Code of Conduct, the Board of Directors resolved to create:

- (i) at the meeting of 8 May 2018, a Remuneration Committee (“Remuneration Committee”); and
- (ii) at the meeting of 24 April 2018, an internal control and risk management committee ("Control and Risk Committee"), the latter also acting as a committee for transactions with related parties ("Committee for Related Party Transactions") and this in consideration of the organisational requirements of the Company, its operating methods and the size of its Board of Directors.

The aforementioned committees consist of five non-executive directors, the majority of whom are independent, with a chairperson chosen from the independent directors; they provide proposals and advice, respectively, on remunerations and on internal control and risk management.

The term of office of the members of the Remuneration Committee and of the Control and Risk Committee is the same as that of the Board of Directors.

In carrying out their duties, these committees shall be able to access the corporate information and departments as needed, and shall use the Company resources and structures to perform the related activities.

The Issuer shall make adequate financial resources available to the committees for the performance of their duties, within the limits of the budget approved by the Board of Directors.

In consideration of the Issuer's organisational structure and ownership structure, the Board of Directors did not deem it necessary to set up an Appointments Committee in compliance with the provisions of Art. 5 of the Code of Conduct.

At the date of this Report, no committees other than those recommended by the Code of Conduct have been set up and no functions have been "distributed" among the committees in a manner different from that prescribed by the Code of Conduct.

7. APPOINTMENTS COMMITTEE

Considering the organisational structure and the ownership structure of the Issuer, the Board of Directors has not identified the need to set up a Committee for the appointment of directors pursuant to Art. 5 of the Code of Conduct, keeping the related functions within the Board of Directors under the coordination of the Chairperson, taking into account that the independent directors constitute the majority of the members of the Board of Directors and that the conditions set out in the Code of Conduct in this regard have been complied with.

8. REMUNERATION COMMITTEE

The Remuneration Committee is made up of a majority of independent directors with the Chairperson chosen from among the independent directors.

The Board of Directors' meeting of 8 May 2018 appointed as members of the Remuneration Committee the independent director Giada Grandi (Chairperson), the independent director Paola Generali, the independent director Lorena Pellissier, the independent director Eugenio Rossetti, and the non-executive director Riccardo

Ranalli, for a duration, unless revoked, forfeited or resigned, equal to that of the Board of Directors in office, or until the date of approval of the financial statements for the year ending 31 December 2020.

For information on the activities carried out during the Financial year by the Remuneration Committee, please refer to the relevant parts of the Remuneration Report prepared and published pursuant to Art. 123-ter of the Consolidated Finance Act and Art. 84-quater of the Consob Issuers' Regulations ("Remuneration Report"), available on the Company's website, www.tinexta.com in the "Governance/Shareholders' Meeting" section.

9. REMUNERATION OF DIRECTORS

For detailed information regarding the remuneration of directors, reference should be made to the Remuneration Report prepared pursuant to Art. 123-ter of the Consolidated Finance Act, available at the company's registered office and on the website, www.tinexta.com, in the Governance/Shareholders' Meeting section.

10. CONTROL AND RISK COMMITTEE

The internal control and risk management committee ("Control and Risk Committee") consists of non-executive directors, the majority of whom are independent. The Chairperson is chosen from among the independent members.

The Committee was created by resolution of the Board of Directors on 24 April 2018, subsequently amended in its composition on 20 September 2018.

The Control and Risk Committee also acts as a committee for transactions with related parties ("Committee for Related Party Transactions").

Composition and operation of the Control and Risk Committee (pursuant to Art. 123-bis, Par. 2, letter d) of the Consolidated Finance Act)

As of 31 December 2020 and at Report Date, the Control and Risk Committee consists of the non-executive and independent directors Eugenio Rossetti (Chairperson), Elisa Corghi and Gian Paolo Coscia and the non-executive directors Alessandro Potestà and Riccardo Ranalli, for a duration, unless revoked, forfeited or resigned, equivalent to that of the Board of Directors in office, or until the date of approval of the financial statements for the year ending 31 December 2020.

The work of the Control and Risk Committee is coordinated by the Chairperson, Eugenio Rossetti.

Minutes of the meetings are regularly taken and during the year, the Chairperson of the Committee regularly reported to the Board of Directors at the first useful meeting on the activities carried out and made the minutes of meetings held available to all Directors.

All members of the Committee have accounting and financial and/or risk management experience that the Board of Directors deems appropriate at the time of appointment.

During the year, the Control and Risk Committee met ten times, more precisely on 22 January, 3 March, 18 March, 29 April, 13 May, 22 June, 15 July, 3 August, 8 October and 16 December 2020; each meeting lasted on average about 2 hour and 30 minutes. The average attendance of directors to the meetings was 98%.

Ten meetings of the Control and Risk Committee are scheduled for 2021, three of which have already been held as at the Report Date, on 5 February, 4 March and 10 March 2021.

The meetings of the Control and Risk Committee held during the year were attended by the Chairperson of the Board of Statutory Auditors and the Internal Audit Manager, as secretary, and, with reference to specific items on the agenda, by the other members of the Board of Statutory Auditors, members of the Supervisory Body, the Managing Director, the Financial Reporting Officer, the Group CFO, the managers of the Sales, Marketing and Strategic Innovation, Human Resources and Organisation, M&A, ICT, Policies, Procedures & Quality Management System, Compliance and Corporate and Legal Affairs departments, the Group DPO, the partner and senior manager of the independent auditors KPMG S.p.A, as well as some subsidiaries' Managing Directors.

More information on the participation of the members of the Control and Risk Committee in the meetings can be found in Table 1 included with this Report.

Functions assigned to the Control and Risk Committee

The Control and Risk Committee supports the Board of Directors, with investigative, advisory and consulting functions, in the assessments and decisions relating to the internal control and risk management system, including, in such assessments, all risks that may be significant from a sustainability point of view, in the medium-long term, in the approval of regular financial reports, as well as, in general, in the Company's commitment to sustainable development. The Control and Risk Committee provides the Board with a prior opinion for the performance of the tasks entrusted to it by the Code on internal control and risk management (providing, among other things, a binding opinion in the case of decisions relating to the appointment, revocation and allocation of resources of the Internal Audit Manager).

According to the provisions of the Code of Conduct, the Control and Risk Committee, to support the Board of Directors, also carries out the following functions of proposal and advice:

- a) assessing, along with the Financial Reporting Manager and after consulting with the independent auditors and the Board of Statutory Auditors, the proper use of accounting standards and their consistency for the purpose of preparing the consolidated financial statements;
- b) providing opinions on specific aspects concerning the identification of the main company risks;
- c) examining regular reports concerning the assessment of the internal control and risk management system, and those of particular relevance prepared by the Internal Audit Function;
- d) monitoring the autonomy, suitability, effectiveness and efficiency of the Internal Audit Function;
- e) asking the Internal Audit Function to carry out audits on specific operating areas, also informing the Chairperson of the Board of Statutory Auditors;
- f) reporting to the Board of Directors, at least every six months, at the time of the approval of the annual and interim financial reports, on the activities carried out and on the suitability of the internal control and risk management system;
- g) supporting, following adequate preliminary investigation, the assessments and the decision of the Board of Directors on the management of risks resulting from prejudicial matters that the Board of Directors has become aware of.

The Control and Risk Committee meets, at the Chairperson's invitation, normally at least 3 (three) working days before the meeting of the Board of Directors called to resolve on matters that fall within the competence of the

Committee, as well as whenever necessary or when requested, with an indication of the reasons, by the Chairperson of the Board of Directors, the Managing Director or the Chairperson of the Board of Statutory Auditors and, in any case, at least every two months and always before the meetings called to approve the draft financial statements and the half-yearly report.

The Chairperson of the Board of Statutory Auditors attends the meetings of the Control and Risk Committee, and in the event of an impediment designates another Statutory Auditor; in any event, the other Standing Auditors may also attend in order to ensure that the activities of the Committee are properly coordinated with those of the Board of Statutory Auditors, also in the light of Application Criteria 8.C.6 of the Code of Conduct, which provides for the two bodies to exchange in a timely manner the information that is relevant to the performance of their respective duties. The Internal Audit Manager also attends said meetings and act as secretary to these.

The Chairperson of the Control and Risk Committee may invite to attend Committee meetings, but without voting rights, the Chairperson of the Board of Directors, the Director in charge of the internal control and risk management system, the Financial Reporting Manager, the Compliance Function, representatives of the external auditors, members of the Supervisory Body and/or, with regard to individual items on the agenda, other persons, including other directors or representatives of corporate functions or third parties whose presence may contribute to the smooth operation of the Control and Risk Committee.

Pursuant to Application Criterion 4.C.1. letter d) of the Code, the minutes of the meetings are prepared and signed by the Chairperson and the Secretary and transcribed in a special register of the minutes of the Control and Risk Committee.

The operating rules of the Control and Risk Committee were approved by the Board of Directors on 15 May 2018.

During the year, the Control and Risk Committee met 10 times. In the context of the aforementioned meetings, the Control and Risk Committee carried out the activities for which it is responsible and in particular discussed and, where required, resolved on the matters indicated below, providing, where requested, its opinion on the matter to the Board of Directors:

- the report on the activities carried out by the Internal Audit Function during 2020 and the 2021 action plan for the Company and the Tinexta Group;
- the report on the activities carried out by the Internal Audit Function during the first half of 2020;
- progress of the activities indicated in the 2020 Audit Plan, reporting the main results of the activities carried out and reporting on corporate risks and related improvement plans;
- the report on corporate governance and ownership structure prepared by the Company for the 2020 financial year;
- the draft financial statements of the Company and the Tinexta Group as at 31 December 2020, including a meeting with representatives of the independent auditors and the consolidated half year financial report as at 30 June 2020;
- the non-financial statement of the Tinexta Group pursuant to Italian Legislative Decree 254/2016, assessing its materiality analysis and completeness and reliability in general, also based on the requirements set out in the relevant legislation;

- regular reporting by the Financial Reporting Manager on the process of financial information developed within the Tinexta Group, with particular reference to compliance with Law 262/2005, including the evaluation of the proposal to update the corresponding Methodological Manual;
- reports of the other corporate departments involved in second-level controls to assess the suitability of the controls put in place by the Company and its subsidiaries to mitigate the risks that threaten the achievement of the Group's objectives;
- the report of the Company's Supervisory Body, with specific interest on the process to update the Model pursuant to Legislative Decree 231/2001 and the revision of the Group's 231 Guidelines, to assess the suitability of the controls put in place by the Company and its subsidiaries to mitigate the risks of predicate offences;
- continuous monitoring of compliance with the measures adopted by the Company and its subsidiaries to deal with the Covid-19 health emergency, to assess the suitability of the controls put in place to mitigate the risk of infection in the workplace,
- the main extraordinary transactions carried out by the Company and the Tinexta Group, expressing an opinion on the correctness of the procedure followed and on the suitability of the information provided to the Board of Directors of the Company called to decide on the matter.

In carrying out its functions, the Control and Risk Committee was able to access the information and corporate functions necessary to carry out its duties and did not find it necessary to use the financial budget made available to it, as the support of the company's internal units was able to guarantee the effectiveness required to fulfil its duties.

The Chairperson of the Control and Risk Committee regularly provided at the first possible Board of Directors useful information on the Committee's activities and on the issues discussed at each meeting of the Committee. In this regard, the Control and Risk Committee has also prepared specific half-yearly reports on its own activities during the financial year, providing in this context its assessment of the suitability and efficacy of the operation of the system of internal control and management of corporate risks of the Company and the Tinexta Group.

11. INTERNAL CONTROL AND RISK MANAGEMENT SYSTEM

The internal control and risk management system is the set of rules, procedures and organisational structures of the Company and Tinexta Group specified to allow the identification, measurement, management and monitoring of the key risks, the suitability of which is monitored by the Internal Audit Manager. The internal control and risk management system also guarantees the protection of the company's assets, the efficiency and effectiveness of the company's operations, the reliability of the financial reporting, compliance with the laws and regulations, as well as with the Articles of Association and internal procedures, to ensure a safe and efficient management.

The internal control and risk management system involves, each for its own part:

- the Board of Directors, which defines the guidelines and evaluates the suitability of the internal control and risk management system;

- the Control and Risk Committee with the tasks, described in Section 10 above, of supporting, with adequate investigative and advisory activities, the assessments and decisions of the Board of Directors relating to the system, as well as those relating to the approval of regular financial reports;
- the Director in charge of the internal control and risk management system, Enrico Salza, with the tasks, specified in detail in Section 11.1 below, of identifying the main corporate risks and implementing the guidelines defined by the Board of Director;
- the Internal Audit Manager, Gianluca Rosboch, entrusted with verifying that the internal control and risk management system is operational and adequate, according to the detailed tasks indicated in Section 11.2 below;
- the Board of Statutory Auditors which, also acting as an internal control and audit committee pursuant to Art. 19 of Italian Legislative Decree No. 39/2010, monitors the effectiveness of the internal control and risk management system.

Among the elements of its internal control and risk management system, Tinexta has implemented an integrated risk management (IRM) process, aimed at the systematic analysis of all business risks of the Group, also for the purposes of integration in the Audit Plan, defined according to the international standard “Co.S.O. - Enterprise Risk Management”.

Through the integrated risk management process, the Group Risk Owners - with the coordination of Tinexta's Policies, Procedures & Quality Management System function and the subsidiaries' Representatives for IRM activities - identify and assess the business risks, considering the impact and the probability of occurrence, the relative degree of coverage through the existing controls and the additional mitigation actions deemed necessary to reduce the residual risk level.

The risks identified for the Tinexta Group have been classified by type as:

- Strategic risks: with impact on the effective pursuit of Group strategies, on the Group's image and, in general, on the ability of processes to achieve the objectives defined by Top Management;
- Operational risks: concerning business activities and with an impact on the level of effectiveness and efficiency of the Group's various business processes;
- Financial risks: deriving from the implementation of business activities and with an impact on the economic and financial parameters of accounting and reporting, liquidity and credit;
- Compliance risks: deriving from the performance of business activities and concerning the non-fulfilment of contractual clauses, laws, regulations and reference standards, with consequent potential administrative/penalty sanctions, and damage to the Group's image and operations.

In addition to the phases of risk recognition, assessment and management, by identifying the necessary mitigation measures to be implemented, the integrated risk management process, launched by the Tinexta Group, provides for specific monitoring activities on the action plans defined by management for the risk management, carried out by Tinexta's Policies, Procedures & Quality Management System function, with the support of the subsidiaries' Representatives, as well as the Risk Owners themselves. The results of the assessment and monitoring activities carried out as part of the integrated risk management process are regularly reported to the Control and Risk Committee.

In order to increase the quality of the processes managed centrally for the Group, Tinexta has implemented a Quality Management System relating to the management and administration of human resources and to the purchasing activities, as services provided to the Group Companies. This system, certified ISO 9001: 2015 in 2020 without any non-compliance findings, constitutes a strengthening of Tinexta's internal control system, through the provision, among other specific requirements, of adequate management of company document information, as well as a process for the identification and regular measurement of performance indicators, with respect to predefined objectives.

In conformity with the provisions of Application Criterion 7.C.1 of the Code of Conduct, the Board of Directors, after hearing the opinion of the Control and Risk Committee:

- a) defines the guidelines of the internal control and risk management system in such a way that the main risks pertaining to the Company and its subsidiaries are properly identified and adequately measured, managed and monitored while establishing the compatibility of these risks with a company management that is consistent with the strategic objectives identified;
- b) assesses the suitability of the internal control and risk management system with respect to the company's characteristics and risk profile, and its effectiveness, at least once a year;
- c) approves the audit plan prepared by the Internal Audit Manager after it is approved by the Board of Statutory Auditors and the Director in charge of the internal control and risk management system at least once a year;
- d) describes the main characteristics of the internal control and risk management system and the methods for coordinating the parties involved with an assessment of its suitability in the corporate governance report;
- e) after hearing the opinion of the Board of Statutory Auditors, assesses the results presented by these in the letter of suggestions and in the additional report referred to in Art. 11 of Regulation 537/EU/2014;
- f) on the proposal of the Director in charge of the internal control and risk management system and subject to the favourable opinion of the Control and Risk Committee, after hearing the opinion of the Board of Statutory Auditors, appoints and revokes the Internal Audit Manager; it ensures that this has enough resources for carrying out its responsibilities and defines its remuneration in line with company policies.

Furthermore, in defining the strategic, industrial and financial plans, the Board of Directors has specified the nature and the risk level compatible with the strategic objectives of the Issuer, including in its assessments all the risks that may acquire relevance in terms of the sustainability, in the medium-long term, of the Issuer's activities.

The Board of Directors carries out its internal control and risk management tasks while adequately taking into account the reference models and national and international best practice, with particular attention paid to the effective implementation of the Model as set forth in Italian Legislative Decree no. 231/2001 adopted by the Board with the resolution of 1 March 2013.

Taking into account the information provided by the Control and Risk Committee and by the Director in Charge of the internal control and risk management system, as well as the work of the Internal Audit Manager, on 12 March 2021 the Board of Directors was able to express a positive assessment of the suitability, effectiveness and actual operation of the internal control and risk management system for the financial year. The Board based its judgement on the internal control and risk management system on these findings and also considered the improvement plans implemented and the residual risks to which the Group is exposed.

The Board of Directors on 12 March 2021, having heard the opinion of the Board of Statutory Auditors and the Director in charge of the internal control system, approved the 2021 audit plan drawn up by the Internal Audit Manager.

Main characteristics of the existing risk management and internal control systems in connection with the financial reporting process pursuant to Art. 123-bis, Par. 2, letter b), Consolidated Finance Act

Foreword

The objective of the Tinexta Group internal control system on financial disclosure is to provide reasonable certainty on the reliability of this and on the ability of the financial reporting process to produce financial disclosure in compliance with generally accepted international accounting principles, being not a separate component, but an integral part of the Company's overall internal control system. This accounting/administrative control model is the set of internal procedures and tools adopted to ensure that the objectives of reliability, accuracy, reliability and promptness of financial reporting can be achieved. The model of reference adopted by the Tinexta Group for the execution, management and assessment of the Internal Control System (“**ICS**”) is the “*Co.S.O. Report*” model, supplemented with: i) legislative and regulatory references on internal control; ii) expedient adaptations aimed at making it consistent with the Tinexta Group’s situation.

During the financial year, the Company followed the prescriptions of Italian Law 262/05 aimed at documenting the accounting/administrative control model adopted, as well as at implementing specific checks on the controls that emerged to support the certification process of the Financial Reporting Manager. To this regard, please note that the Company has prepared a special Methodological Manual, approved by the Board of Directors and disseminated to all Tinexta Group companies relevant for the purposes of Italian Law 262/05, in which the guidelines for implementing, updating and monitoring the model are outlined and explained.

Description of the main characteristics of the risk management and internal control system existing in connection with the financial reporting process

(a) Phases of the risk management and internal control system existing in connection with the financial reporting process

The main phases of the system implemented by the Company in connection with the financial reporting process can be traced back to the following macro categories of activities.

- Identification of the scope of the companies and of the significant administrative/accounting processes. These activities initially require the definition of the Tinexta Group companies and of the processes of the single companies, with reference to which the activities of studying in-depth the risks and administrative/accounting control are to be carried out, adopting both quantitative parameters (defined based on the significant weight that the figures to consider have on the main financial sheet items) and qualitative elements. The activity of defining the significant scope is usually carried out at the beginning of each year, after approval of the financial statements of the previous year and the issue by the Financial Reporting Manager, of the statements required by law.
- Analysis of the processes, risks and administrative/accounting controls. The analysis of the control system connected with financial reporting is carried out both at the entity level (i.e. on a corporate basis) and at the process level (up to the details of the single transaction) with the aim to effectively mitigate the pertinent risks found within the administrative/accounting system. The approach adopted takes into consideration the possible risks of incorrect representation of the corporate events in

the financial reporting, both unintentional and fraudulent, envisaging the design and monitoring of controls able to ensure the hedging of said risks. In particular, the administrative/accounting processes include the risks connected with non-achievement of the control objectives aimed at ensuring truthful and correct financial reporting or at minimising the probabilities and impact of their appearance. These objectives are connected with observance of the financial assertions, which the international standards of reference define as the requirements that every accounting/reporting account of the financial statements must ensure in order to meet the legal obligations (typically: existence and occurrence, completeness, rights and obligations, valuation and recording, presentation and reporting) and other elements that connote the internal control environment of the organisation (such as, for example, observance of the authorisation limits, segregation of duty, documents and traceability of the transactions). The analysis of the risks connected with financial reporting envisages regular updating in order to identify the main changes that have taken place in the structure of the administrative/accounting processes following the natural evolution of the business and organisation.

- Definition of the administrative/accounting control system. Based on the results of the risk recognition and assessment activity of the financial reporting process at the “pertinent” level (i.e. regardless of the existence of controls when they appear), the Company defines the structure and methods of executing the administrative/accounting controls deemed adequate for guaranteeing reduction of the risk of non-observance of one or more financial assertions associated with them to an acceptable level while taking into due consideration the presence of control activities that can be considered redundant or compensatory. The approach adopted considers both the manual controls and those relating to the reporting systems supporting the administrative/accounting processes, i.e. the so-called automatic controls at the level of application systems and the IT general controls monitoring areas concerning access to the systems, control of the developments and modifications of the systems and, in general, suitability of the computer structures.
- Verification of administrative/accounting controls. The controls are regularly monitored to verify their actual application over time, during the reference period and the actual effectiveness in order to ensure that the needs for hedging risks defined by the internal control system and relevant control system are adequate. The assessment of the effectiveness of the administrative/accounting controls is carried out by running specific sample tests to ascertain the proper execution of the controls required by the corporate functions and implementation of the corrective measures specified. This monitoring and testing of the financial reporting control system is conducted through an independent compliance activity by the Tinexta Group Internal Audit Function. The results of the monitoring activity are the object of a regular flow of information (every six months) on the status of the financial reporting control system as concerns the design, structure and operation of the system by the Internal Audit manager directly to the Financial Reporting Manager, as well as to senior management, the Control and Risk Committee and the Board of Statutory Auditors for the assessments for which they are responsible.

(b) Roles and functions involved

The risk management and internal control system for financial reporting is managed by the Financial Reporting Manager. The Financial Reporting Manager coordinates with the functions of the Company and of the subsidiaries that fall within the scope of consolidation and the corporate governance bodies, to provide and receive information on the execution of activities that have an impact on the economic or financial situation of the Tinexta Group. All departments belonging to the Tinexta Group companies (included within the scope of consolidation) and the governance bodies, such as the Board of Directors, the Board of Statutory Auditors, the

Control and Risk Committee, the Supervisory Body, the independent auditing firm, the institutional bodies that communicate with the outside and the Internal Audit Function are responsible for interacting with the Financial Reporting Manager in order to inform, and if necessary report, on events that might bring about significant changes in the processes if they have an impact on the suitability and material operation of the existing administrative/accounting procedures. The Administration Managers of each of these companies of the Group have been identified as being in charge of guaranteeing the implementation and maintenance of the internal control system in their organisations on behalf of the Financial Reporting Manager. To this regard, the administrative/financial governance model of the Tinexta Group includes a system of internal certifications that requires that the Managing Directors/General Managers and Administration Managers of the single Tinexta Group companies issue a specific certification on the reliability and accuracy of the systems and processes for financial reporting used to prepare the Tinexta Group consolidated financial statements supporting the half-yearly and annual certifications made by the Financial Reporting Manager and the Managing Director (pursuant to Par. 5 of Art. 154-bis of the Consolidated Finance Act).

11.1 DIRECTOR IN CHARGE OF THE INTERNAL CONTROL AND RISK MANAGEMENT SYSTEM

The Board of Directors meeting on 24 April 2018 appointed Enrico Salza as Director in charge of the internal control and risk management system pursuant to Art. 7, principle 7.P.3 (a)(i) of the Code of Conduct.

In implementing the functions assigned, as described in Section 11 above, during the year, the Director in charge of the internal control and risk management system, with the support of the appropriate managers for the various areas of reference:

- (a) identified the corporate risks taking into account the strategies and business characteristics of the Company and the Group;
- (b) implemented the guidelines defined by the Board, providing for the design, execution and management of the internal control system, whilst constantly checking its overall suitability and efficacy;
- (c) supervised the adjustment of the internal control system to the dynamics of the company and to the modified operating conditions within the reference legislative and regulatory framework.

Enrico Salza has the power to ask the Internal Audit Function to carry out the checks on specific operational areas and on compliance with internal rules and procedures in the execution of company operations, informing the Chairperson of the Control and Risk Committee and the Chairperson of the Board of Statutory Auditors.

In the performance of his duties, the Director in charge of the internal control and risk management system has, so far, not identified, nor been informed of, any critical issues that should be promptly brought to the attention of the Control and Risk Committee and the Board of Directors.

11.2 MANAGER OF THE INTERNAL AUDIT FUNCTION

On 31 August 2016, the Board, on the proposal of the Director in charge of the Internal Control and Risk Management System, after hearing the favourable opinion of the Control and Risk Committee and of the Board of Statutory Auditors, appointed Gianluca Rosboch as Internal Audit Manager with the task of verifying that the internal control and risk management system is operational and adequate.

Again on the proposal of the Director in charge of the Internal Control and Risk Management System, after hearing the favourable opinion of the Control and Risk Committee and of the Board of Statutory Auditors, the Board has resolved on the remuneration of the Internal Audit Manager, in line with the Company's remuneration policies, and has ensured that this is provided with adequate resources to carry out his responsibilities.

The Internal Audit Manager avails himself, for the performance of his tasks, of the Company's means and structures as well as an adequate budget for external consultants.

The Internal Audit Manager does not manage any operational area and reports hierarchically to the Board of Directors; in the exercise of his functions, he ensures the flow of information to the Director in charge of the internal control and risk management system, to the Board of Statutory Auditors and to the Control and Risk Committee.

The Internal Audit Manager has direct access to all information required for the performance of his duties and, where necessary, also has access to the documentation produced by third parties entrusted with control duties in the Company or in other subsidiaries.

The Internal Audit Manager, pursuant to Art. 7.C.5 of the Code of Conduct:

- (a) verifies the effectiveness and compliance of the internal control and risk management system using an audit system approved by the Board of Directors that is based on a structured process of analysis and prioritisation of the main risks both continuously and in connection with the specific needs and in compliance with the international standards;
- (b) has direct access to all information helpful in performing the task;
- (c) prepares regular reports with information on the activity carried out, on the methods with which the risk management is conducted and on observance of the plans defined to reduce them. The regular reports contain an assessment of the suitability of the internal control and risk management system;
- (d) prepares reports on particularly significant events in a timely manner;
- (e) sends the reports described under points (c) and (d) to the chairmen of the Board of Statutory Auditors, the Control and Risk Committee and the Board of Directors, and to the Director in charge of the internal control and risk management system;
- (f) verifies the reliability of the computer systems, including the accounting systems, as part of the audit plan.

During the financial year, the Internal Audit Manager:

- conducted the audits defined in the 2020 audit plan approved and reported on the results of the activities carried out;
- carried out specific interventions (special tasks) based on requests and instructions of the Tinexta Group management;
- carried out activities related to Italian Law 262/2005, including advice to the Financial Reporting Manager in updating the related Methodological Manual, verifying the companies (and their processes) quantitatively and qualitatively significant for compliance purposes, by testing, the operational effectiveness of the controls on administrative/accounting risks and monitoring the progress of the implementation of improvement actions;

- assisted the Supervisory Board, also of other Group companies, in performing specific audits, regular verifications and analysis of records from information flows to the Supervisory Body;
- assisted the personnel of Tinexta and of the other Group companies in formalising new procedures or updates of existing procedures based on the results of specific audits carried out on the Company or at the Group level;
- supported the Company's Policy, Procedures & Quality Management System function in updating the Model pursuant to Legislative Decree 231/2001 and in the revision of the 231 Guidelines and the Group's Code of Ethics;
- supported the Company's Policy, Procedures & Quality Management System function in analysing the progress of the remedial plans defined by the Company and its subsidiaries following the results of the Risk Management process at Group level;
- provided a regular assessment of the suitability of the internal control and risk management system.

The results of each Internal Audit were submitted in the form of Internal Audit reports sent to the Chairperson of the Board of Directors, the Managing Director (also to be sent later to the structures subject to auditing), the Control and Risk Committee and the Board of Statutory Auditors.

The Internal Audit reports were also sent, for the aspect of their competence, to the Supervisory Body of the Company and, for Internal Audits pertaining to the subsidiaries, to their control and regulatory bodies (Boards of Directors, Boards of Statutory Auditors and Supervisory Bodies).

The Internal Audit reports present the concise assessment of the internal control and risk management system control protocols referring to the areas and processes checked, the description of the findings and limitations found, and the recommendations that emerged, for which the managers of the activities and areas audited draw up a plan of corrective actions whose implementation is monitored by the Internal Audit Function.

The Internal Audit Manager draws up (i) half-yearly reports containing sufficient information on their activity, on the methods with which risk management is conducted and on observance of the plans defined to reduce them, as well as the assessment of the suitability of the internal control and risk management system and (ii) specific reports in the case of particularly significant events.

On 12 March 2021, the Internal Audit Manager issued the annual report (referring to the period from 1 January to 31 December 2020, with an update as at the date of its issue); with reference to the result that emerged from the audit activities carried out, in this report, the Internal Audit Manager has stated that no significant situations or critical issues had been identified such as to suggest that the Tinexta Group's internal control and risk management system as a whole are inadequate.

11.3 ORGANISATIONAL MODEL PURSUANT TO ITALIAN LEGISLATIVE DECREE NO. 231/2001

By resolution of the Board of Directors of 1 March 2013, the Company adopted an Organisational Model pursuant to the requirements set by Legislative Decree no. 231/2001 (hereinafter, also "Model"), aimed at avoiding the Company's administrative liability in criminal proceedings for certain types of crimes committed by its directors, managers, employees or collaborators in the interest or to the advantage of the Company itself. With the same resolution, the Company's Code of Ethics was adopted, which is an integral part of the Model.

On 7 August 2017, 5 August 2019 and 12 November 2020, the Board of Directors updated the Organisational Model to take into account the development of the reference regulatory framework, the Issuer's organisational changes, the legal guidelines and the experience deriving from the application of the Model itself.

The Model, which was also developed and updated according to the guidelines prepared by Confindustria on the subject, represents a further qualifying element for the Company's internal control system and consists of the following:

- a General Section containing, among other things, specific information on the qualifying contents of Italian Legislative Decree 231/2001 and subsequent additions, description of the governance model and the organisational structure of the Company, objectives, structure of the Model and activities carried out to update it, requirements, functions and powers of the Supervisory Body, its information flows, disciplinary and sanctioning regime connected with violations of the Model's provisions, communication and training activities for personnel related to the adoption of the Model;
- a Special Section, consisting of a series of specific control protocols in relation to the different corporate areas identified as potentially exposed to the risk of committing the offences provided for by Italian Legislative Decree 231/2001, which for Tinexta have been identified as being the following: offences within relationships with the Public Administration and corruption between private parties, corporate offences, transnational offences and organised crime offences, terrorist financing crimes, offences committed in violation of accident prevention and occupational health and safety regulations, offences connected to the receipt of stolen goods, money laundering and the misuse of money, goods or benefits of illegal origin as well as computer offences, copyright infringement offences, offences linked to employment of illegal third-country nationals, crimes against the individual, racism and xenophobia, market abuse.

The prescriptions contained in the Model are completed, as already highlighted, by those of the Code of Ethics, which has been repeatedly updated following its adoption, and approved as the Group's Code of Ethics by the Board of Directors on 5 August 2019. The Code of Ethics describes the commitments and ethical responsibilities in the conduct of business and corporate activities to which each employee and all those with whom the Company comes into contact in the course of its business, must conform in the performance of their duties, in the belief that ethics in the conduct of business is the basis for the success of business activities.

The Code of Ethics is available on the website in the Governance/Corporate Documents section.

On 1 March 2013, the Company appointed the Supervisory Body.

The Supervisory Body currently in office was appointed by resolution of the Board of Directors of 24 April 2018 and consists of three experts chosen from within and outside the company, with adequate training and professionalism, in the persons of Laura Benedetto (Chairperson), Ugo Lecis and Alberto Sodini, all with autonomous powers of initiative and control as provided for in Art. 6 of Italian Legislative Decree 231/2001.

For full compliance with Italian Legislative Decree 231/2001, the Supervisory Body reports to the Board of Directors and is not linked to the company's operations by any hierarchical link, so as to guarantee its full autonomy and independence in the performance of its functions.

During the financial year, the Supervisory Body reported to the Board of Directors on the activities carried out with reports issued on 19 March 2021, 17 July 2021 and 12 March 2021.

The Group's subsidiaries have also adopted and, over the years, updated their own Organisational Model pursuant to Legislative Decree no. 231/2001 and simultaneously appointed their respective Supervisory Bodies,

in order to implement specific control measures based on the different significant risk/crime profiles for each company. The respective Supervisory Bodies, as implemented by the Tinexta Supervisory Body, have implemented their own action plans to monitor and assess the suitability of the Organisational Models adopted by the individual companies. The planned operational verifications were carried out through the Internal Audit Function of the Tinexta Group and regular reports were prepared and sent to the Boards of Directors and Boards of Statutory Auditors on the supervisory activities carried out during the reference periods.

With a view to strengthening the "231 compliance" procedure of its subsidiaries, in 2019 Tinexta issued its 231 Guidelines, as a tool to support all activities to implement a compliance model pursuant to Italian Legislative Decree No. 231/2001 for companies within the Group. These Guidelines, aimed at defining the rules, principles and behaviours with which the Group Companies are required to comply in the preparation and management of the respective Models, were revised in 2020 in order to implement the new regulations relating to Tax Offences and offences against the Public Administration, as well as internal organisational changes occurred after the date of issue.

Based on the updated provisions of these Guidelines, the Italian subsidiaries have begun and in most cases completed the updating or preparation of their Organisational Models.

On 20 December 2018, the Board of Directors approved the introduction of an internal system for reporting offences, as required by Italian Legislative Decree 231/2001 and by Law 179/2017 ("Whistleblowing system"). Based on an external IT platform that guarantees the confidentiality of the identity of the whistle-blower, the Whistle-blowing System introduces specific methods for reporting, to the Supervisory Body, illegal activities and suspicious conduct, irregularities in company management, acts or facts that may constitute a violation of internal and external regulations as well as of the control principles and rules of conduct contained in the Model and in the Code of Ethics of the Company. This system has been adopted by all subsidiaries in the Tinexta Group that have their own Organisational Model pursuant to Italian Legislative Decree No. 231/2001.

11.4 INDEPENDENT AUDITING FIRM

Pursuant to Art. 13 of Italian Legislative Decree No. 39 of 27 January 2010, the ordinary shareholders' meeting held on 29 April 2016, at the proposal of the Board of Statutory Auditors, resolved to appoint the auditing firm KPMG S.p.A. to audit the separate and consolidated financial statements of the Tinexta Group for the 2016-2024 years, with the limited audit of the condensed consolidated half-yearly financial statements for that nine-year period, as well as to verify that the accounts are properly kept and that the operating events are correctly recorded in the accounting records during those years.

The Company has adopted a procedure for the granting of tasks to the independent auditors within the Tinexta Group in order to safeguard the independence requirement of the party responsible for the statutory audit, with rules for assessment when assigning certain types of tasks - other than those of a mandatory nature - by the Company and its subsidiaries, to the independent auditors and its network.

11.5 FINANCIAL REPORTING MANAGER AND OTHER CORPORATE ROLES AND POSITIONS

Pursuant to Art. 19 of the Articles of Association, the Board of Directors, subject to the mandatory but non-binding opinion of the Board of Statutory Auditors, appoints the Manager in charge of preparing the financial reports referred to in Art. 154-bis of the Consolidated Finance Act, establishing a specific term of office, from among the managers with at least three years' experience gained in holding management positions in areas of administrative/accounting and/or financial and/or control activities at the company and/or its subsidiaries and/or at other public limited companies.

The Board of Directors may revoke the office of Financial Reporting Manager, again subject to the mandatory though non-binding opinion of the Board of Statutory Auditors, at the same time appointing another person to the same position.

In compliance with the above, with the prior favourable opinion of the Board of Statutory Auditors, the current Board of Directors resolved on 17 May 2016 to appoint Nicola Di Liello as Financial Reporting Manager pursuant to Art. 154-bis of the Consolidated Finance Act.

At the time of their appointment, the Board granted the Financial Reporting Manager all of the powers and means needed for the exercise of the tasks assigned pursuant to current legislation and the Articles of Association, including direct access to all functions, offices and information necessary for the production and verification of accounting, financial and economic data, without the need for any authorisation.

Compliance Function

The Company has appointed an external consultant with proven experience to be in charge of the Compliance Function; the consultant has absolute autonomy with respect to the operating structures and reports directly to the Board of Directors and the Board of Statutory Auditors. This function regularly monitors and assesses the suitability and effectiveness of the measures, policies and procedures adopted to identify and minimise the risk of non-compliance with legal and regulatory obligations and provides advice to relevant persons in the performance of their activities and assist them in fulfilling the obligations incumbent on the Company, including as a listed entity.

Data Protection Officer - DPO

With regard to the processing and management of personal data and privacy, the Tinexta Group has complied with the new General Data Protection Regulation (No. 2016/679 hereinafter "GDPR"). In this regard, a model for the management of privacy rules and processes has been defined and implemented, both at group level and for the subsidiaries. The Group's Data Protection Officer has been appointed and the relevant Data Protection Officers have been identified.

Quality/Policies Manager, Procedures & Quality Management System

The Policies, Procedures & Quality Management System function, within the Human Resources and Organisation Department, ensures the regulation of business processes in line with the control, effectiveness and efficiency objectives established by Tinexta's Management, coordinating the integrated risk management process at the Group level, reporting the results to Senior Management and Control Bodies, and monitors the quality management system implemented to ensure its suitability, efficiency and suitability over time.

As of the Report Date, the Company's Board of Directors had not appointed any persons responsible for internal control or risk management other than those described above.

11.6 COORDINATION BETWEEN THE PARTIES INVOLVED IN THE INTERNAL CONTROL AND RISK MANAGEMENT SYSTEM

The Company establishes methods for coordination between the various parties involved in the internal control and risk management system. In particular, in addition to the regular information provided to the Board of Directors, it is the Company's practice that the meetings of the Control and Risk Committee are also attended by the Internal Audit Manager, the Chairman of the Board of Statutory Auditors or another statutory auditor designated by them or together with the other statutory auditors, and may be attended by the Managing Director, the Director in charge of the internal control and risk management system, the Compliance Function Manager, the Corporate and Legal Affairs Manager and the Financial Reporting Manager, to ensure the effective coordination of the activities of the Control and Risk Committee with those carried out by other bodies and functions.

On 12 March 2021 the Board of Directors, pursuant to Criterion 7.C.1 of the Code, expressed a favourable opinion on the suitability of these methods of coordination between the different parties involved in the internal control and risk management system.

12. INTERESTS OF THE DIRECTORS AND TRANSACTIONS WITH RELATED PARTIES

The Company has defined and adopted specific procedures for significant transactions and transactions with related parties, to ensure that directors receive complete and exhaustive information on this type of transaction.

The Company approves related party transactions according to the provisions of current laws and regulations and the procedure approved on 17 May 2016 and 22 June 2016, subject to the favourable opinion of the independent directors pursuant to Art. 2391-bis of the Italian Civil Code and the RPT Regulations, updated on 3 October 2018 ("RPT Procedure"). The RPT Procedure was adopted according to the RPT Regulations.

In compliance with the RPT Regulations, the RPT Procedure regulates the procedures for preparing and approving transactions with related parties defined as being of greater importance based on the criteria indicated in the RPT Regulations and transactions with related parties defined as being of lesser importance, i.e. those other than transactions of greater importance and transactions of smaller amounts pursuant to the RPT Regulations.

Without prejudice to the disclosure obligations provided for by law and the RPT Procedure, transactions with related parties must be approved by the body responsible for adopting the relevant decision pursuant to law and the Articles of Association, after obtaining a reasoned opinion on the appropriateness and substantive correctness of the terms and conditions of the transaction from the Related Parties Committee, made up of the independent members of the Control and Risk Committee, who must also be non-related directors for each transaction. The Chairperson of the Committee for Related Party Transactions is identified as the Chairperson of the Control and Risk Committee if the Related Parties Committee coincides with the Control and Risks Committee, unless otherwise decided by the Board of Directors.

The Related Parties Committee performs the functions envisaged by the RPT Procedure, the RPT Regulations and the legislation in force at the time, and in particular:

- expresses its prior opinion on the approval and amendments of the RPT Procedure, as well as on the proposals to be submitted to the Shareholders' Meeting regarding any amendments to the Articles of Association identified as necessary by the Board of Directors in the context of the definition of the RPT Procedure;
- expresses its binding reasoned opinion on transactions of major importance and expresses its non-binding reasoned opinion on transactions of minor importance;
- intervenes in the negotiation and preliminary phase of the most significant transactions, by receiving a complete and timely flow of information and with the right to request information and to make observations to the delegated bodies and to the persons in charge of conducting the negotiations or the preliminary activities; and
- supports the relevant corporate functions in the preliminary checks relating to the identification of Related Parties and transactions with related parties according to the RPT Procedure and laws and regulations in force at the time.

On 24 April 2018, the Board of Directors identified the Control and Risk Committee as the body in charge of transactions with related parties which, pursuant to the RPT Procedure, acts as Related Parties Committee.

The RPT Procedure can be found on the Company's website in the Governance/Corporate Documents section, to which reference should be made for further details.

As at the Report Date, the Board of Directors has not deemed it necessary to adopt, in addition to the RPT Procedure and the disclosure requirements set out in Art. 2391 of the Italian Civil Code, a specific procedure for the identification and management of situations in which a director has an interest on his/her own behalf or on behalf of third parties.

13. APPOINTMENT OF AUDITORS

The Statutory and Alternate Auditors are appointed by the Shareholders' Meeting, in compliance with the laws and regulations in force at the time concerning the balance between genders, based on lists submitted by the Shareholders in compliance with the legal and regulatory provisions in force at the time in Art. 148 of the Consolidated Finance Act and 144-quinquies et seq. of the Consob Issuers' Regulations.

Pursuant to Art. 20 of the Articles of Association, a balance between the male and female genders must be ensured in the composition of the Board of Statutory Auditors in compliance with the applicable legal and regulatory provisions in force at the time. The auditors, who may be re-elected, are selected among persons who have the requisites, also regarding plurality of offices, set by current laws and regulations, including professional competence pursuant to Ministry of Justice Decree no. 162 of 30 March 2000. Regarding the provisions of Art. 1, Par. 2, letters b) and c) of said decree, the following are to be considered strictly pertinent to the Company's activity: (i) matters pertaining to commercial law, tax law, accounting, business economics, general, international and financial market economics, corporate finance, and (ii) sectors of industry and the publishing trade and pertaining to communications in general.

The Board of Statutory Auditors is appointed in compliance with the applicable legal and regulatory provisions in force at the time on balance between genders, based on lists submitted to the shareholders.

Each list, which contains the names of one or more candidates, marked by a progressive number and all together in a number not exceeding the number of members to be elected, must indicate whether the single candidature is

for the office of statutory auditor or for the office of alternate auditor. Lists that present a total number of candidates equal to or greater than three must include candidates belonging to both genders, to allow the composition of the Board of Directors to comply with current legislation on gender balance.

Only those shareholders who alone or together with other submitting shareholders form a total of shareholders, as at the date the list is submitted, with voting rights in shareholders' meeting resolutions concerning the appointment of the Board of Directors and Board of Statutory Auditors representing a percentage of shareholding in the share capital made up of said shares, as subscribed on the date the list is submitted, at least equal to the percentage applicable for appointing the Board of Directors as determined or referred to by these Articles of Association are entitled to submit the lists. The percentage of shareholding required for submitting lists of candidates to the Board of Statutory Auditors is specified in the notice calling the Shareholders' Meeting for appointing the Board.

By Executive Resolution no. 44 of 29 January 2021, Consob established, without prejudice to any lower quota provided for in the Articles of Association, the minimum shareholding required for the presentation of lists of candidates for the election of the administrative and control bodies of listed companies that closed their financial year on 31 December 2020.

In particular, the shareholding set for Tinexta S.p.A. was as follows:

CRITERIA FOR DETERMINING THE MINIMUM SHAREHOLDING REQUIRED			SHAREHOLDING PERCENTAGE
CLASS OF CAPITALISATION	FREE FLOAT PERCENTAGE > 25%	MAJORITY PERCENTAGE < 50%	
> € 375 million and ≤ € 1 billion	not relevant	not relevant	2.5%

Each candidate may appear on only one list, under penalty of ineligibility. The shareholders may not submit individually or jointly, nor, as for any other shareholder with the right to vote, may they vote on, not even through a third party or trustee, more than one list. Moreover, the shareholders that: i) belong to the same group (or, pursuant to Art. 93 Consolidated Finance Act, find themselves in a control relationship with each other or are subject to joint control, even when the parent company is a natural person), or ii) take part in a significant shareholders' agreement pursuant to Art. 122 of Consolidated Finance Act concerning company shares, or iii) take part in such a shareholders' agreement and be, according to the law, parent companies or be controlled by or be subject to joint control of one of said participating shareholders, cannot submit or concur with others to submit more than a single list and cannot vote for different lists. The agreements and votes expressed in breach of said prohibition shall not be attributed to any list. The lists, complete with the curricula vitae of the candidates containing exhaustive information on the personal and professional characteristics of each one of them with the list of any administration and control positions held in other companies, and signed by the shareholders that submitted them, or their agent, with indication of the respective identity and percentage of shareholding altogether held as at the date of submission must be lodged with the registered office by the twenty-fifth day prior to the date set for the Shareholders' Meeting in first or single call together with a statement of the submitting shareholders, when different from those that hold, also jointly, a control or majority shareholding in

the share capital (the latter as defined above in this), certifying the absence of relationships of association with the latter as required by the legislation, including statutory, in force at the time.

At the time of the submission of the list, the candidates must also file the declarations with which they accept their candidacy and declare, under their own responsibility: 1) the non-existence of causes for ineligibility and incompatibility, as well as the existence of the requisites required based on what is set out in current primary and secondary legislation; 2) the possible existence of the independence requisites required by 148, Par. 3, of the Consolidated Finance Act. Lists that do not comply with these provisions are considered as not submitted. If, by the twenty-fifth day before the date of the Shareholders' Meeting in first or single call, only one list is submitted, or lists have been presented only by shareholders associated with each other pursuant to the legal and regulatory provisions in force at the time, additional lists can be submitted until the third day after said date and the minimum percentage of shareholding for submitting lists shown on the notice of call will be considered reduced by half. Also in the case of such a submission, the relevant certification(s) or communication(s) certifying the aforesaid necessary shareholding issued by the intermediary authorised pursuant to the applicable legal or statutory provisions may also be delivered afterwards as long as it is at least twenty-one days before the date set for the Shareholders' meeting in first or single call. The lists and the accompanying information will be advertised pursuant to the legal and regulatory provisions in force at the time. The election of the members of the Board of Statutory Auditors shall be carried out as follows: a) two statutory members and one alternate member are taken from the list that obtained the highest number of votes at the shareholders' meeting, based on the progressive order with which they are respectively listed on the list, except for what is provided for hereunder to ensure a balance between genders in compliance with the applicable legal and regulatory provisions in force at the time; b) the remaining statutory auditor, who becomes the chairman of the Board of Statutory Auditors, and the other alternate member are taken from the second list obtaining the highest number of votes at the Shareholders' Meeting and that is not associated, not even indirectly, pursuant to the legal and regulatory provisions in force at the time, with those who submitted or voted for the list that obtained the highest number of votes as described under a) above. For the purpose of appointing the auditors described under b) above, if there is parity between lists, the one submitted by shareholders having the largest shareholding or, subordinately, the largest number of shareholders, prevails. In the case of parity of votes between two or more lists that obtained the highest number of votes, the Shareholders' Meeting will go to second ballot with resolution taken with relative majority. If a party associated with a shareholder that has submitted or voted for the list that obtained the highest number of votes has voted for a minority list, the existence of this association is relevant only if the vote determined the election of the auditor to be taken from this minority list. If a single list is submitted, all candidates belonging to that list are elected with the majority vote of the share capital represented at the Shareholders' Meeting.

If following the voting by lists or voting of the single list, the composition of the Board of Statutory Auditors is not ensured, in compliance with the applicable legal and regulatory provisions on gender balance in force at the time, the statutory auditor candidate of the most represented gender elected last in progressive order from the list that obtained the highest number of votes or from the single list will be excluded, and will be replaced by the next candidate according to the progressive order with which the candidates are listed, taken from the same list and belonging to the other gender.

If no list is submitted, the Shareholders' Meeting appoints the Board of Statutory Auditors with majority vote relating to the share capital represented at the Shareholders' Meeting, in such a way that observance of the applicable legal and regulatory provisions on gender balance in force at the time is ensured. The chairmanship of the Board of Statutory Auditors in these cases is given to the person heading the only list submitted or to the person appointed by the Shareholders' Meeting if no list has been submitted.

If the legal and regulatory requirements are no longer met, the auditor ceases to hold office. If an auditor is replaced, the alternate auditor belonging to the same list as the outgoing auditor takes over, provided that compliance with the applicable legal and regulatory provisions on gender balance in force at the time is ensured. Failing that, if the minority auditor leaves office, the candidate listed afterwards in the original order of submission and without taking into account the original statutory or alternate auditor candidacy on the same list to which the outgoing auditor belonged or, alternatively, the first candidate of the minority list that received the second highest number of votes takes over, provided that compliance with the applicable legal and regulatory provisions on gender balance in force at the time is ensured. The chairmanship of the Board of Statutory Auditors is still given to the minority auditor. When the Shareholders' Meeting must appoint statutory and/or alternate auditors necessary to supplement the Board of Statutory Auditors, it follows these steps: if auditors elected from the majority list are to be replaced, the appointment is made with relative majority vote without obligation of a list in compliance with the applicable legal and regulatory provisions on gender balance in force at the time; if, on the other hand, auditors from the minority list must be replaced, the Shareholders' Meeting replaces them with relative majority vote, selecting them from the candidates shown on the list on which the auditor to be replaced appeared or, subordinately, on the minority list that obtained the second highest number of votes, in both cases without taking into account the original candidacy to the office of statutory or alternate auditor, again in compliance with the applicable legal and regulatory provisions on gender balance in force at the time. In any case, the same documentation pertaining to the latter must be submitted by the shareholders that plan to propose a candidate, as provided for above in the case of submission of lists for the appointment of the entire Board, if necessary by way of updating what was already submitted at that time.

If application of these procedures for any reason does not permit replacement of the auditors designated by the minority, the Shareholders' Meeting shall proceed with a relative majority vote in compliance with the applicable legal and regulatory provisions on gender balance in force at the time, subject to the submission of candidacies - complete with the same documents provided for above in the case of submission of lists for the appointment of the entire Board - for each candidate by shareholders that hold - either alone or together with other submitting shareholders - shares with voting rights at least equal to the percentage of the share capital that would be necessary for submitting the same lists, since in any case said submission by shareholders that hold, also jointly, a control or relative majority shareholding in the share capital or that have relationships of association with the latter as provided for by the regulations, also statutory, in force at the time is not allowed. In ascertaining the results of this latter vote, the votes of the shareholders that are not allowed to submit candidatures will not be included. The chairmanship of the Board of Statutory Auditors will still go to the minority statutory auditor thus appointed. Should no candidacies be submitted, the Shareholders' Meeting resolves with relative majority in compliance with the applicable legal and regulatory provisions on gender balance in force at the time.

Other additional legal or regulatory provisions will however remain valid.

The Articles of Association provide for the election of one statutory auditor and one alternate auditor to be reserved to the minority list.

14. COMPOSITION AND OPERATIONS OF THE BOARD OF STATUTORY AUDITORS

The Board of Statutory Auditors in office as of 31 December 2020, the Report Date, appointed by the Shareholders' Meeting of 24 April 2018, consists of the Chairperson Luca Laurini, the Statutory Auditors Monica Mannino and Alberto Sodini, and the Alternate Auditors Domenica Serra and Maria Cristina Ramenzoni.

Please refer to Table 2 in the annex for further details on the composition of the Board of Statutory Auditors.

The Board of Statutory Auditors was appointed by the aforementioned Ordinary Shareholders' Meeting, based on three lists of candidates presented, respectively, by the majority shareholder Tecno Holding S.p.A. holding 56.51% of the share capital, by Quaestio Capital SGR S.p.A. holding 9.9% of the share capital and by a group of investors representing a total of 1.45% of the share capital, and will remain in office until the approval of the financial statements for the year ended 31 December 2020.

For more information on the lists submitted for the appointment of the Board of Statutory Auditors, please refer to the website www.tinexta.com, in the Governance section, where the professional profiles of the Statutory Auditors pursuant to Art. 144-octies and 144-decies of the Consob Issuers' Regulations can be found.

Information on the personal and professional characteristics of the individual members of the Board of Statutory Auditors is provided below.

Luca Laurini (Chairperson) - He received his degree in Economics and Business from the Università degli Studi di Parma in 1987, he works as a Certified Public Accountant and Auditor for the Cerati Laurini & Ampollini Associated Firm. He is an expert in tax, insurance and supplementary pensions. He holds the following offices: Executive Director on the Board of Directors of Parametrica Pension Fund S.p.A., Chairperson of the Board of Statutory Auditors of Lineapelle S.r.l., member of the Board of Statutory Auditors of Candy S.p.A., member of the Board of Statutory Auditors of Haer S.P.A., member of the Board of Statutory Auditors of Cad Dogana Logica S.p.A., member of the Board of Statutory Auditors of F.lli Guazzi S.p.a., member of the Board of Statutory Auditors of Azienda Unità Sanitaria Locale di Parma, member of the Board of Auditors of Fondazione Istituto Nazionale Studi Verdiani, Sole Auditor of Comitato Parma Città della Cultura 2020. He is Vice-Chairperson of the Register of Chartered Accountants and Accounting Experts for Parma.

Monica Mannino (Statutory Auditor)– Graduated with honours in Business Economics from Università Bocconi di Milano in 1994, she is a partner in Studio Bignami Associati where she provides corporate, business and tax advice to Italian and foreign corporations, with particular reference to: corporate governance, national and international tax issues, expert opinions and technical advice. Statutory Auditor of Accounts since 1999 and since 2004 technical expert to the Public Prosecutor's Office of Milan. She is a member of the Governance Commission of listed companies and of the Equal Opportunities Commission of the Order of Chartered Accountants of Milan. From 1996 to the present, she has been Chairperson or Statutory Auditor of companies, including listed companies, operating in various sectors, with Italian capital as well as with foreign multinational groups. Currently he is: Chairperson of the Board of Statutory Auditors of DiaSorin S.p.A., Statutory Auditor of Giglio Group S.p.A., Statutory Auditor of Milano Ristorazione S.p.A., Chairperson of the Board of Statutory Auditors of ISI Istituto Stomatologico Italiano Cooperativa sociale Onlus, Statutory Auditor of ConnecT S.p.A., Chairperson of the Board of Statutory Auditors of Eramet Alloys Italia S.r.l.

Alberto Sodini (Statutory Auditor) - He received his degree in Economics and Business from the Università degli Studi di Roma la Sapienza in 1995. He is entered in the Register of Chartered Accountants of Rome and in the Register of Statutory Auditor. He is also a technical consultant to the Judge at the Civil Court of Rome. He has gained professional experience in major tax firms with particular reference to extraordinary transactions and issues of national and international taxation. He is the owner of Studio Tributario Sodini and provides tax, corporate and business consulting services to Italian companies and multinational groups operating in the media-TV, marketing & communication, real estate and innovative start-ups sectors. He is a director and liquidator of joint-stock companies and is chairperson and a member of boards of statutory auditors and supervisory bodies

of companies, including listed companies, operating in various business sectors, holding companies and consortia.

Domenica Serra (Alternate Auditor) Vittone" Istituto Tecnico Commerciale in Chieri, and obtained the qualification of Collegiate Accountant in 1980 in Turin. She is entered under No. 3318 of the Register of Chartered Accountants and Accounting Experts for the districts of Ivrea-Pinerolo-Turin and in the Register of Statutory Auditors. Since 1981, she has been a certified public accountant in the tax and corporate sector, with particular reference to joint-stock companies. She holds offices of statutory auditor and auditor in various companies operating in a number of sectors (industrial, commercial, real estate and holdings).

Maria Cristina Ramenzoni (Alternate Auditor) – In 1994 she began her professional practice at the De Carli-Marena associated practice. Up to 2001, she was a collaborator with the De Carli-Marena associated practice. In 2002 she became a member of the "Multistudio" consultancy firm together with her colleagues Luigi Bussolati, Ugo Marena, Giovanni Massera, Annalisa Avanzi and Alessandro Giaquinto. She has lectured at trade associations and public schools in accounting, tax and corporate matters since 2001. From 2002 to 2005 she was a member of the Budget Commission of the Association of Chartered Accountants of Parma. She was a member of the Equal Opportunities Committee of the Order of Chartered Accountants and Accounting Experts of Parma from 2010 to 2016. She was a member of the Non-Commercial Bodies Commission of the Order of Chartered Public Accountants and Accounting Experts of Parma from 2013 to 2016. From 2015 to 2016 she was a member of the Emilia Romagna Territorial Commission of Non-Profit Entities. Since 2017, she has been Secretary of the Association of Chartered Public Accountants and Accounting Experts of Parma.

All the members of the Board of Statutory Auditors meet the independence requirements set out in Art. 148, Par. 3, of the Consolidated Finance Act and, as indicated in their profiles and in the additional information provided in this Par., the integrity and professional requirements set out in Art. 148 of the Consolidated Finance Act and in the implementing regulations adopted by Decree 162/2000 of the Ministry of Justice.

During the year, the Board of Statutory Auditors met 15 times, and the meetings lasted an average of three hours each. The average attendance of the auditors at the meetings was 100%. The Board of Statutory Auditors carried out its own self-assessment, the results of which were forwarded to the Board of Directors, and it prepared the activity plan for the 2021 financial year. The Board of Statutory Auditors has scheduled 14 meetings for the current year, six of which have already been held, on 14 January, 3 February, 8 March, 11 and 12 March, and 29 March 2021.

Diversity criteria and policies

Tinexta applies diversity criteria, also in terms of gender, in the composition of the Board of Statutory Auditors, according to the priority objective of ensuring adequate competence and professionalism of its members. In this regard, it should be noted that the Articles of Association provide rules for the composition of lists and supplementary voting mechanisms aimed at ensuring the presence on the Board of Statutory Auditors of the minimum number of members belonging to the less represented gender.

On the occasion of the recent renewal of the Board of Statutory Auditors, on 24 April 2018, the Shareholders' Meeting appointed, among others, Monica Mannino as Statutory Auditor and Domenica Serra and Maria Cristina as Alternate Auditors, thus ensuring the presence of female candidates equal to one third of the total, according to the provisions of Art. 148 of the Consolidated Finance Act at the date in force. At Report Date, Art. 148, Par. 1-bis, of the Consolidated Finance Act provides for the distribution of statutory auditors to be such to ensure that at least two fifths of the standing members of the Board of Statutory Auditors belong to the less represented

gender. This criterion will apply from the first renewal of the Board of Statutory Auditors following the date of entry into force of the new legislation, i.e. 1 January 2020. Pursuant to Art. 144-undecies.1, Par. 3 of the Issuers' Regulation, if the application of the gender allocation criterion does not result in a whole number of members of the management or control bodies belonging to the less represented gender, this number is rounded up to the nearest unity, with the exception of the corporate bodies formed by three members for which the number is rounded down to the lower unit.

Furthermore, the characteristics of the members of the Board of Directors in office shall be such as to ensure an adequate level of diversity, not only in terms of gender composition, but also with regard to aspects such as age, training and professional experience. To date the Company has not adopted a specific diversity policy pursuant to Art. 123-bis, Par. 2, letter d-bis of the Consolidated Finance Act, considering in any case that the processes for the selection of members the Company's administration and control bodies already take into consideration important aspects such as age, gender composition and training and professional experience of the respective members, as indicated above.

The Board of Statutory Auditors verified the independence of its members based on the criteria set out in Art. 3 and Art. 8 of the Code of Conduct. In particular, as prescribed by Application Criterion 8.C.1 of the Code, at its meeting on 11 March 2021, it verified the independence of its members by applying all criteria set for the directors by the Code, and confirmed that each of them met and continues to meet these requirements.

According to the provisions of Rule Q.1.1. "Self-assessment of the Board of Statutory Auditors" of the Rules of Conduct of the Board of Statutory Auditors of listed companies, according to Art. 8 of the Code of Conduct and by current regulations, the Board of Statutory Auditors assessed the suitability of the members and the adequate composition of the body, with reference to the requirements of professionalism, competence, honourableness and independence required by the regulations.

In their declaration of candidacy and acceptance of the office of Statutory Auditor of the Company, all the Statutory Auditors also certified (i) the non-existence of causes for ineligibility, forfeiture or incompatibility, (ii) that they possessed all the requisites of integrity, independence and professionalism required by law and the Articles of Association for the office of Statutory Auditor of Tinexta as a listed company; (iii) not to hold positions as director or statutory auditor to an extent equal to or greater than the limits established by current legislation; and (iv) to undertake to promptly notify the Company and, on its behalf, the Board of Directors and other members of the Board of Statutory Auditors of any changes to the declaration and any causes for revocation.

With regard to the initiatives promoted by the Chairperson of the Board of Directors aimed at providing the Statutory Auditors with adequate knowledge of the business sector in which the Issuer operates, reference should be made to that already illustrated in Section 4.2 above.

As illustrated in Section 11 above, the Board of Statutory Auditors, in the performance of its functions, has coordinated and regularly coordinates with the Internal Audit Manager, the Control and Risk Committee, the Director in charge of the internal control and risk management system, the Financial Reporting Manager and the independent auditors.

The Issuer requires that the Statutory Auditor who has an interest in a certain transaction of the Issuer on their own account or that of third parties promptly inform the other Statutory Auditors and the Chairperson of the Board in detail on the nature, terms, origin and scope of their interest.

With regard to the compensation paid in the financial year to the control bodies for any reason and in any form, please refer to Section II of the Remuneration Report published pursuant to Art. 123-ter of the Consolidated Finance Act.

15. RELATIONS WITH SHAREHOLDERS

The Company considers it essential and strategic to establish and maintain a constant and open dialogue with its shareholders, with investors, in particular institutional investors, and more generally with all stakeholders of Tinexta and the Tinexta Group.

To this end, the Board of Directors, following the recommendations in Art. 11 of the Code of Conduct, has identified as the person responsible for developing relationships with shareholders and investors (Investor Relator) the Chief Financial Officer, Oddone Pozzi

A special section of the website is dedicated to financial and corporate information of importance to investors, under "Investor Relations".

The contact details for the Investor Relations department manager are: Oddone Pozzi, Tel. +39 06 42 01 26 31. E.mail: investor@tinexta.com

For the dissemination of regulated information to the public, the Issuer uses the "eMarket SDIR" platform and for the storage of Regulated Information, the "eMarket STORAGE" centralised storage system, accessible at www.emarketstorage.com, both managed by Spafid Connect S.p.A., with registered office in Foro Buonaparte 10, Milan.

Disclosure activities in relations with investors are also ensured by making available the most significant company documents promptly and continuously on the website, in the "Investor Relations" section.

More specifically, all press releases issued to the market, the regular accounting documents of the Company approved by the competent company bodies (annual financial report; half year financial report; interim management reports), and the documents distributed at meetings with the professional investors, analysts and financial community may be freely consulted by investors on said website, in Italian and English. Furthermore, the Articles of Association, the documentation prepared for the Shareholders' Meetings, communications on Internal Dealing, the Annual Report on the corporate governance system and any other document whose publication on the Issuer's website is required by applicable regulations, can be found on the Website.

16. SHAREHOLDERS' MEETINGS

Pursuant to Art. 7 of the Articles of Association, the Shareholders' Meeting - which can be held in Italy, also outside the registered office - is called with a notice published on the company's website and with all other methods provided for by the applicable legal and regulatory provisions in force at the time. Both the ordinary and extraordinary Shareholders' Meetings are held in single call, without prejudice to the right of the Board of Directors, if it sees fit, to decide that the ordinary Shareholders' Meeting be held in two calls and the extraordinary Shareholders' Meeting in two or three calls, applying the majorities respectively established by the law with reference to each of these cases.

The right to participate and representation at the Shareholders' Meeting are regulated by the applicable legal and regulatory provisions. With regard to the latter, electronic notification of proxy for participating in the

Shareholders' Meeting may be made using the special section of the company's website and/or with a message addressed to the certified email box, according to what is indicated on the notice of call of the Shareholders' Meeting.

The Board of Directors may designate, for each Shareholders' Meeting, one or more persons to whom those entitled to vote may grant proxies according to the applicable legal and regulatory provisions in force at the time, providing information in compliance with the same provisions.

Pursuant to Art. 8 of the Articles of Association, the Shareholders' Meeting is chaired by the Chairperson of the Board of Directors or, should this be absent or hindered, by the substitute of this, or by the person appointed by the Shareholders' Meeting.

in compliance with the laws and the Articles of Association, the Chairperson of the Shareholders' Meeting supervises and regulates the progress of the works of the meeting, specifying the voting and vote counting order and system, verifying that the Shareholders' Meeting is duly formed, verifying the identity and right to participate in the Shareholders' Meeting, the regularity of the proxies and the voting results.

The Chairperson is assisted by a secretary appointed by the shareholders' meeting upon the proposal of the Chairperson. In cases required by law or when deemed appropriate by the Chairperson, the minutes are taken by a notary selected by the Chairperson.

The resolutions of the Shareholders' Meeting must be documented by minutes signed by the Chairperson and the Secretary or the notary.

Pursuant to Art. 9 of the Articles of Association, the regular constitution of the ordinary and extraordinary Shareholders' Meetings and the validity of their resolutions are regulated by the law and the Articles of Association.

Art. 16 of the Articles of Association establishes that the Board of Directors is given the power to resolve on the following matters, without prejudice to Art. 2436 of the Italian Civil Code:

- mergers in the cases listed under Art. 2505 and 2505-bis of the Italian Civil Code and de-mergers in the cases in which said rules are applicable;
- reduction of the share capital in the case of withdrawal by one or more shareholders;
- adaptation of the Articles of Association to legislative provisions;
- indication of which directors represent the company;
- opening or closing of branches;
- transfer of the registered office to another Italian municipality.

Pursuant to Art. 22 of the Articles of Association, the ordinary Shareholders' Meeting approves the financial statements within one hundred and twenty days from the end of the financial year, or within one hundred and eighty days since the company is required to draw up the consolidated financial statements or in any case when particular needs concerning the structure and purpose of the company so require.

The conduct of the Shareholders' Meetings is governed by specific Regulations, which were approved by resolution of the Shareholders' Meeting on 25 June 2014. Regulations for Shareholders' Meetings have been adopted to ensure the orderly and functional conduct of Shareholders' Meetings and to facilitate the exercise of shareholders' rights, pursuant to current laws and regulations, including EU regulations, and pursuant to the

recommendations in Art. 9 of the Code of Conduct.

In order to regulate and facilitate the participation of those entitled to vote, Art. 18 of the Regulations for Shareholders' Meetings establishes that those entitled to vote may ask to speak on the matters under discussion only once, making observations and requesting information. The Chairperson, taking into account the subject and importance of the individual items on the agenda, as well as the number of persons requesting the floor and any questions asked by shareholders prior to the Shareholders' Meeting that have not already been answered by the Company, sets the duration of comments and replies - normally no more than ten minutes and no less than five minutes - to ensure that the Shareholders' Meeting can conclude its proceedings within a single meeting.

A copy of the Regulations for Shareholders' Meetings is available on the Company's website in the Governance/Corporate Documents section, to which reference should be made for further details.

As regards the rights of the shareholders, reference should be made to the laws and regulations applicable at the time; in addition to what has already been indicated in the previous paragraphs of the Report, it should be noted that the right of withdrawal can only be exercised within the limits dictated by mandatory provisions of law and, pursuant to art. 6 of the Articles of Association, is excluded for shareholders who have not participated in the resolutions concerning the extension of the term of the Company or the introduction, modification or removal of statutory restrictions on the circulation of the Company's shares..

During the financial year, the Board reported to the Shareholders' Meeting on the activities carried out and planned and made every effort to ensure that shareholders received adequate information about the elements necessary for them to be able to take the decisions within the competence of the Shareholders' Meeting, with full knowledge of the facts.

The Board, pursuant to Application Criterion 9.C.4. of the Code of Conduct, did not deem it necessary to propose to the Shareholders' Meeting, amendments to the Articles of Association in relation to the percentages established for the exercise of the measures designed to protect minorities, since - in application of Art. 144-*quater* of the Consob Issuers' Regulations for the presentation of lists for the appointment of members of the Board and the Board of Statutory Auditors - the Issuer's Articles of Association require the percentage threshold of 2.5% of the share capital with voting rights or any other percentage established or referred to by legal or regulatory provisions.

During the financial year, a Shareholders' Meeting was held on 28 April 2020 in ordinary session, for the approval of the financial statements for the year ended 31 December 2019 and the allocation of profit for the year, the authorisation for the purchase and disposal of treasury shares, the approval of the 2020-2022 Stock Option Plan and the remuneration policy referred to in the first section of the remuneration report pursuant to Art. 123-*ter* of the Consolidated Finance Act, as well as the consultation with regard to the second section of the above mentioned remuneration report.

The Shareholders' Meeting of 28 April 2020 was attended by the Chairperson of the Board of Directors Enrico Salza and Directors Pier Andrea Chevallard, Elisa Corghi, Laura Benedetto, Paola Generali, Lorena Pellissier and Alessandro Potestà, as well the Statutory Auditors Luca Laurini, Monica Mannino and Alberto Sodini, while the Directors Riccardo Ranalli, Eugenio Rossetti, Giada Grandi and Gian Paolo Coscia were absent. During the Shareholders' Meeting, the Board of Directors, through the Chairperson of the Board of Directors and the Managing Director, reported on the activities carried out and planned, providing shareholders with adequate information useful for taking informed decisions, making all the documentation prepared for the individual items on the agenda available to them. The Remuneration Committee reports to the shareholders on the exercise

of their functions through the information in this Report and in the Remuneration Report.

During the financial year, no changes took place in the capitalisation of the Company's shares basically connected to new changes and developments of the business or to its corporate structure.

17. FURTHER CORPORATE GOVERNANCE PRACTICES

The Issuer does not adopt corporate governance practices other than those provided for by the legislative or regulatory provisions and described in this Report.

18. CHANGES SINCE THE END OF THE YEAR

No changes in the corporate governance structure other than those reported in the specific sections of the Report have taken place since the end of the financial year.

19. CONSIDERATIONS ON THE LETTER OF 22 DECEMBER 2020 FROM THE CHAIR OF THE CORPORATE GOVERNANCE COMMITTEE

With regard to the letter of 22 December 2020 from the Chairman of the Corporate Governance Committee addressed to the Chairmen of the Boards of Directors of the Italian listed companies, the Board of Directors of Tinexta took note of the analyses and recommendations contained therein and, as regards the disclosure the Board of Directors, further consolidated the indications relating to adequate management of information flows to the Board of Directors, ensuring that confidentiality requirements are protected without compromising the completeness, usability and timeliness of the disclosure, according to the provisions of the Regulation adopted by the Council. In 2020, the practices adopted in previous years were confirmed and, without prejudice to the indications already present with respect to the qualification of the independent directors who are members of the Board of Directors, the Company demonstrated compliance with the principles expressed by the Committee's recommendation, together with those dictated by the regulations, with the majority of the members of the Board of Directors meeting the independence requirements envisaged by the applicable legal provisions and the Code of Conduct. With regard to remuneration policies, compliance with the criteria and recommendations established by the codes of conduct on corporate governance, regarding the identification of the variable component and its weight, distinguishing between components linked to annual and multi-annual time horizons for value generation in the long term and for the remuneration paid to non-executive directors and members of the control body, with the verification through market comparisons made at the time of the appointment of the Company's management and control bodies currently in office. Lastly, with regard to sustainability as the "objective (...) that consists in the creation of long-term value for the benefit of shareholders, taking into account the interests of the other stakeholders relevant to the company", it is agreed that an even greater focus should be placed on environmental, social and governance (ESG) factors, considering their impact on the Company's business at all times, further increasing the commitment in this area also with the implementation of ESG principles within the Company's policies.

TABLE 1: STRUCTURE OF THE BOARD OF DIRECTORS AND COMMITTEES

Board of Directors													Control and Risk Committee - Committee for Related Party Transactions		Remuneration Committee	
Office	Members	Year of birth	Date of first appointment *	In office since	In office until	List **	Exec.	Non - exec.	Indep. Code	Indep. Consolidated Finance Act	No. of other offices ***	(*)	(*)	(**)	(*)	(**)
Chairperson	Salza Enrico	1937	14.10.2009	24.4.2018	Appr. Financial Statements 31.12.2020	M	x				--	9/9				
Director ◇	Chevallard Pier Andrea	1951	14.10.2009	24.4.2018	Appr. Financial Statements 31.12.2020	M	x				--	9/9				
Deputy Chairperson Director	Ranalli Riccardo	1955	24.4.2018 (as director)	24.4.2018	Appr. Financial Statements 31.12.2020	M		x			3	9/9	10/10	M	5/5	M

Board of Directors													Control and Risk Committee - Committee for Related Party Transactions		Remuneration Committee	
Office	Members	Year of birth	Date of first appointment *	In office since	In office until	List **	Exec.	Non - exec.	Indep. Code	Indep. Consolidated Finance Act	No. of other offices ***	(*)	(*)	(**)	(*)	(**)
Director	Benedetto Laura	1965	24.10.2012	24.4.2018	Appr. Financial Statements 31.12.2020	M		x	x	x	--	8/9				
Director	Corghi Elisa	1972	30.04.2015	24.4.2018	Appr. Financial Statements 31.12.2020	M		x	x	x	3	9/9	10/10	M		
Director	Coscia Gian Paolo	1955	30.04.2015	23.7.2018	Appr. Financial Statements 31.12.2020	M		x	x	x	--	9/9	9/10	M		
Director	Generali Paola	1975	24.4.2018	24.4.2018	Appr. Financial Statements 31.12.2020	M		x	x	x	--	8/9			5/5	M

Board of Directors													Control and Risk Committee - Committee for Related Party Transactions		Remuneration Committee	
Office	Members	Year of birth	Date of first appointment *	In office since	In office until	List **	Exec.	Non - exec.	Indep. Code	Indep. Consolidated Finance Act	No. of other offices ***	(*)	(*)	(**)	(*)	(**)
Director	Grandi Giada	1960	24.10.2012	24.4.2018	Appr. Financial Statements 31.12.2020	M		x	x	x	1	8/9	--	--	5/5	C
Director	Pellissier Lorena	1971	24.4.2018	24.4.2018	Appr. Financial Statements 31.12.2020	m		x	x	x	--	9/9	--	--	5/5	M
Director	Potestà Alessandro	1968	19.4.2016	24.4.2018	Appr. Financial Statements 31.12.2020	m		x			4	9/9	10/10	M	--	--
Director	Rossetti Eugenio	1956	24.4.2018	24.4.2018	Appr. Financial Statements 31.12.2020	M		x	x	x	1	9/9	10/10	C	5/5	M

Board of Directors													Control and Risk Committee - Committee for Related Party Transactions		Remuneration Committee	
Office	Members	Year of birth	Date of first appointment *	In office since	In office until	List **	Exec.	Non - exec.	Indep. Code	Indep. Consolidated Finance Act	No. of other offices ***	(*)	(*)	(**)	(*)	(**)
DIRECTORS WHO LEFT THEIR OFFICE DURING THE REFERENCE YEAR																
Director	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--
No. of meetings held during year under review:							Board of Directors: 9				Control and Risk Committee - Committee for Related Party Transactions: 10				Remuneration Committee: 5	
Indicate the quorum required for presenting lists by minorities for the election of one or more members (pursuant to Art. 147-ter of the Consolidated Finance Act):																

NOTES:

The following symbols should be inserted in the "Office" column:

• This symbol indicates the director in charge of the internal control and risk management system.

◇ This symbol indicates the person who is chiefly responsible for managing the Issuer (Chief Executive Officer or Managing Director)

* The date of first appointment of each director is the date when the director was appointed for the very first time to the Issuer's BoD.

** This column shows the list from which each director was drawn ("M": majority list; "m": minority list; "BoD": list submitted by the BoD).

*** The number of offices of director or auditor held by the party in question in other companies listed on regulated markets, even foreign, in financial, banking, insurance or large companies is indicated in this column. The offices are indicated in full in the Corporate Governance Report.

(*) Participation of the directors at the BoD and committee meetings, respectively, is indicated in this column (indicate the number of meetings attended compared to the total number of meetings that could have been attended; e.g. 6/8; 8/8, etc.).

(**) This column indicates the qualification of the director within the Committee: "C": Chairman; "M": member.

TABLE 2: STRUCTURE OF THE BOARD OF STATUTORY AUDITORS

Board of Statutory Auditors									
Office	Members	Year birth of	Date of first appointment *	In office since	In office until	List **	Indep. Code	Attendance at meetings of the Board of Statutory Auditors ***	No. of other offices ****
Chairperson	Laurini Luca	1962	24.4.2018	24.4.2018	Appr. Financial Statements 31.12.2020	m	x	15/15	--
Statutory auditor	Mannino Monica	1969	24.4.2018	24.4.2018	Appr. Financial Statements 31.12.2020	M	x	15/15	2
Statutory auditor	Sodini Alberto	1966	14.10.2009	24.4.2018	Appr. Financial Statements 31.12.2020	M	x	15/15	--
Alternate auditor	Serra Domenica	1958	30.04.2015	24.4.2018	Appr. Financial Statements 31.12.2020	M	x	--	--

Alternate auditor	Ramenzoni Maria Cristina	1971	24.4.2018	24.4.2018	Appr. Financial Statements 31.12.2020	m	x	--	--
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AUDITORS WHO LEFT THEIR OFFICE DURING THE REFERENCE YEAR

Auditor	--	--	--	--	--	--	--	--	--
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Number of meetings held during year under review: 15

Indicate the quorum required for presenting lists by minorities for the election of one or more members (pursuant to Art. 148 of the Consolidated Finance Act): 2.5%

NOTES:

* The date of first appointment of each auditor is the date when the auditor was appointed for the very first time to the Issuer's board of statutory auditors.

** This column indicates the list from which each auditor is drawn ("M": majority list; "m": minority list).

*** Participation of the auditors at the board of statutory auditors' meetings is indicated in this column (indicate the number of meetings attended compared to the total number of meetings that could have been attended; e.g. 6/8; 8/8, etc.).

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