



**NEXI S.p.A.**

**GUIDELINES TO SHAREHOLDERS PROVIDED BY NEXI'S BOARD OF DIRECTORS ON THE  
QUANTITATIVE AND QUALITATIVE COMPOSITION OF THE NEW BOARD OF DIRECTORS**

**Approved by the Board of Directors of Nexi S.p.A. on 10 March 2022**

**Available to the public on the *website* [www.nexigroup.it](http://www.nexigroup.it)**

**Publication date 21 March 2022**

## Preamble

Nexi S.p.A. (“**Nexi**” or the “**Company**”) applies the Corporate Governance Code in its latest version of January 2020 (the “**Code**”), drafted by the Italian Corporate Governance Committee of Borsa Italiana, whose Article 4, Principle XIII and Recommendation, 23, also in consideration of the requirements of the Principles referred to in Article. 2, recommends that the boards of directors of listed companies in regulated markets, when close to the termination of its office, should provide the Shareholders with the guidelines on the optimal qualitative and quantitative composition of the new board of directors, taking into account the outcome of the self-evaluation process.

In this regard, for the sake of completeness, it should be noted that Nexi, in accordance with the Code’s definitions, shall be qualified as a “*Company with concentrated ownership*” and, therefore, pursuant to Article 4, Principle XIII and Recommendation 23 of the Code, is not required to express the aforementioned guidelines. In any case, also for the purposes of correct and prudent corporate management, as well as to comply with the sector’s best practice, with this Guidelines (as defined below), Nexi expresses its opinion on the optimal qualitative and quantitative composition of the new board.

Nexi’s board of directors (the “**Board**” or the “**Board of Directors**”), whose office expires with the approval of the 2021 financial statements, and in light of the opinion issued by the Remuneration and Appointment Committee, has drafted this guidelines on the future qualitative and quantitative composition of the board to be provided to the Shareholders in view of the upcoming Shareholders’ Meeting called to vote, *inter alia*, on the appointment of the new board of directors for the period 2022 to 2024.

In drafting this guidelines (the “**Guidelines**”), Nexi’s Board of Directors has considered:

- the outcome of the self-evaluation conducted with the support of the advisor, Spencer Stuart, which also assisted the Board during the self-evaluation process;
- the assessment of the voting policies of key stakeholders of the Company;
- a specific benchmarking exercise focusing on the qualitative and quantitative aspects of the boards of directors of similar and/or comparable national and international peers;
- the activities to be carried out by the next board of directors, whose office will be of significant importance for the development of the Company’s strategy regarding, *inter alia*, sustainability, innovation and technology;
- the experience acquired in the last three years, also with reference to the digital payment business, considering the actual functioning of the Board of Directors and its Committees and the connected undertakings and activities they are required to carry out;
- the favourable opinion issued by the Remuneration and Appointment Committee during its meeting held on [March 4, 2022], which, in compliance with its terms of reference, carried out important informative, support and preparation activities in the process of drafting of the self-evaluation questionnaire as well as in the drafting of this Guidelines.

The Guidelines covers the management, professional and character profiles and the expertise of future members of the Board of Directors, based on:

- (i) the businesses in which the Company operates and considering the standing and expertise of the members of the Board of Directors must be commensurate with the specific duties to be fulfilled;
- (ii) the Company’s size, organization and complexity;
- (iii) Nexi’s growth and development goals in order to consolidate its position in Europe, also in light of the execution of the recent integration transactions with the Nets and SIA groups occurred, respectively, on July 1 and December 31, 2021.

In light of the above, also in accordance with Nexi’s By-Laws (the “**By-Laws**”) the Board of Directors invites Shareholders, who submit their slate of candidates for the appointment of the board of directors, to ensure that such slates enclose all the necessary information in order to allow the other Shareholders themselves to consciously vote, including the indication of candidates’ eligibility to be qualified as independent, pursuant to the Legislative Decree 58/1998 (the “**CFA**”) and/or the Recommendation 7 of the Code, which shall be duly

verified from time to time, by the Board of Directors pursuant to the Board Terms of Reference, adopted on March 11, 2021 (the “**Board Terms of Reference**”) available on the Company’s website.

Furthermore, in compliance with the aforesaid Recommendation 23 of the Code, the Board of Directors also invites the Shareholders submitting a slate containing a number of candidates higher than half of the members to be elected:

- a) to provide in the documentation submitted while depositing the slate appropriate information regarding the compliance of such slate with the Guidelines published by the expiring Board, also with reference to the gender diversity’s criteria set forth in Principle VII and by Recommendation 8 of the Code;
- b) to submit any alternative or additional resolution proposal to those proposed by the expiring Board which are functional to the board appointment process, such as those establishing the number of board members, the term of their office and remuneration.

**Preamble .....2**

**Quantitative composition.....5**

**Qualitative composition .....6**

**1. General and Personal Characteristics .....6**

**2. Board Skills Matrix .....7**

**3. Required Commitments for the Office .....8**

**4. Key officers .....9**

**Chairman of the Board of Directors .....9**

**Chief Executive Officer .....9**

**Board committees .....10**

**Filing of slates of Board candidates .....10**

## Quantitative composition

Article 12 of Nexi's By-Laws provides that the Company shall be managed by a board of directors composed by not less than seven and no more than fifteen members.

In accordance with consolidated best corporate governance standards, the number of members of the board of directors must be commensurate with the composition, size and complexity of the company's organisational structure, taking into account also the needs of the companies subject to certain business' supervisory regulations, in order to ensure that the same board is capable to effectively run all areas of the company's business and activities, in terms of management, control and operational corporate oversight.

The right articulation and dimension of the board of directors also depends on the number and composition of the Board Committees, in which all the Board members are required to take part, avoiding an excessive accumulation of offices and ensuring in the several governance corporate bodies, an adequate presence of independent Directors. In this regard, it should be recalled that in the Committees recommended by the Code, the majority of members shall be independent, and the relevant chair shall be appointed among its independent members who shall not, in any case, correspond to the Chairman of the Board of Directors even if the latter has been assessed as independent.

In this regard, as a preliminary remark, it should be noted that Nexi has established the following 3 Board Committees (the "**Committees**") in accordance with the corporate governance's recommendations set forth in the Code, approving the relevant terms of reference: (i) the Control and Risk and Sustainability Committee; (ii) the Remuneration and Appointment Committee; (iii) Related Parties Committee.

Moreover, within the Board of Directors, the Strategic Committee was also set up, with advisory functions concerning specific matters relating to Nexi's business strategic activities.

In this respect, it should be noted that the Board of Directors in office as of the time of the drafting of the Guidelines, is composed of 15 members and was appointed, in the first place, by Nexi's Ordinary Shareholders' Meeting held on February 13, 2019, on the basis of the By-Laws, for a three financial years period, *i.e.*, until the approval of the financial statements as of December 31, 2021, with the exception of (i) Elisa Corghi, who was co-opted by the Board of Directors on September 26, 2019 and confirmed by the Ordinary Shareholders' Meeting of May 5, 2020; (ii) Bo Nilsson and Stefan Goetz, who were appointed by the Ordinary Shareholders' Meeting on March 3, 2021, with deferred effectiveness as of July 1, 2021; and (iii) Fabio Massoli, Marina Natale, Maurizio Cereda and Francesco Pettenati, co-opted by the Board of Directors on December 16, 2021, with deferred effectiveness as of 11:59 p.m. on December 31, 2021.

With specific reference to the directors co-opted on December 16, 2021, effective as of 11:59 p.m. of December 31, 2021, please note that their appointment has been effective simultaneously with the effectiveness of the resignations submitted by Giuseppe Capponcelli, Maurizio Mussi, Francesco Casiraghi and Simone Cucchetti.

The self-evaluation process conducted at the end of the three-year office highlighted the positive performance of the current Board of Directors, consisting as specified above.

In the same context, the majority of directors – also in light of the outcome of a benchmarking exercise concerning the composition of the boards of directors of comparable peers chosen among the main peer companies belonging to FTSE-MIB index – indicated that a board consisting of 13 directors could be better to address the challenges to be faced in the next three years. The Board of Directors, however, highlighted that it had performed extremely well also in its current size of 15 Directors.

## Qualitative composition

The Code recommends that the management body is composed by executive and non-executive directors, a significant number of whom should be independent, all of them shall have professional skills and expertise appropriate to their assigned duties. The Code also stresses that the number and expertise of non-executive directors should be such as to ensure that they have significant influence on the board's decisions, guaranteeing effective management oversight.

Moreover, according to the Code, the issuers shall apply the diversity criteria, including gender quota, for the composition of their boards of directors, without prejudice of the primary goal of ensuring the expertise and professional skills of the members of the board.

In general, and as a preliminary remark, in the future composition of the Board of Directors it is deemed necessary to give adequate visibility to Nexi's key criteria, such as gender, age, seniority in office, complementary professional and managerial experience diversity.

Furthermore, considering that the Company holds the control of Nexi Payments S.p.A. and SIAPay S.r.l. (respectively, an electronic money institution and a payment institution), the candidates for the office as director shall meet, in addition to the integrity requirements provided for in Article 2 of Justice Ministry Decree 162/2000 – as referred to in Article 147-*quinquies* CFA – shall meet the requirements of integrity, fairness and professionalism set forth in the Ministerial Decree 144/1998, in the Bank of Italy's Circular 288 dated April 3, 2015, and, as the case may be, in the Ministerial Decree no. 169/2020 (as referred to pursuant to and for the purposes of Articles 114-*quinquies*, 114-*undecies* and 25 of Legislative Decree 385/1993 and of the Bank of Italy's supervisory provisions for payment institutions and electronic money institutions dated July 23, 2019).

### 1. General and Personal Characteristics

With regard to the general and personal attributes of the members of Nexi's Board of Directors, the expiring Board highlights the importance of:

- (i) enhancing the diversity of gender, experience and skills of the members of the Board of Directors, as a distinctive element in response to the growing market challenges in which Nexi operates, including a balanced mix of professional profiles, expertise, capabilities and experience, with a focus on strategic, managerial, financial and institutional issues;
- (ii) considering diversified and complementary professional profiles able to ensure an effective collaboration and positive internal relationships in the best performance of the offices as director;
- (iii) preferring people with international professional experience, thus able to provide an extensive knowledge of global markets dynamics and a multicultural approach in effectively directing the Company's strategic agenda;
- (iv) guaranteeing the presence of an adequate number of independent directors (as set forth in the applicable laws and by the By-Laws, *i.e.*, at least one third of the Board of Directors' members), in order to ensure the adequate composition of the interests of all the shareholders. To that aim, the new Board of Directors will be required to evaluate the appointment of a Lead Independent Director, in accordance with the international best practice and with Recommendation 13 and 14 of the Code, which recommend that such a figure should be appointed in "*large companies*" – as defined pursuant to the Code and among which Nexi is comprised - if requested by the majority of the independent directors. The Lead Independent Director should provide a point of reference and coordination for the requests and contributions of the non-executive, and, in particular, independent, directors, as well as coordinate the independent directors' meetings;
- (v) identifying profiles with sufficient available time and resources to allow them to diligently carry out the tasks assigned by the Board and Committees, taking into account the rules governing the cumulative number of offices of Nexi Board of Directors' members in accordance with Article 3, Principle XII and

Recommendation 15 of the Code, and also according to paragraph 3 below;

- (vi) promoting the requirements concerning the international experience (regardless of the nationality of directors), training and work experience and gender diversity (as required under applicable laws) and age diversity range.

The Board of Directors hopes that, in drafting their slates of candidates for the 2022-2024 office, Nexi's Shareholders:

- (i) will ensure an appropriate balance between the need for the board's constant renewal and the need for continuity, considering to propose the listing of a sufficient number of continuity candidates from the expiring Board;
- (ii) will select new persons with a high level of professional and expertise, able to complement and add to the experience and expertise of re-appointed directors.

## 2. Board Skills Matrix

The Board of Directors has decided to provide the Shareholders also with their guidelines on the knowledge, expertise and experience that should characterize the best qualitative composition of the next managing body. Such proposal takes into account of the results of the annual self-evaluation process of the administrative body and its committees, the key elements of internal governance, and a benchmarking of sizes and composition of the Boards of Directors of the main listed companies in Italy, comparable to Nexi.

The Board of Directors is currently made up of managerial figures with specific experience in certain fields relevant for Nexi's business, such as banking and finance, professionals and professors with specific knowledge in economic and financial matters (in this regard, please refer to the specific section of the Company's website <https://www.nexigroup.com/it/gruppo/governance/organi-societari/>). More specifically, with reference to the current Board of Directors resulting from and due to the Merger with SIA:

- 80% of the members of the Board of Directors has significant managerial experience, among such 80%, 40% has experience, at a top managerial level, both in banks and financial institutions as well as in companies operating in the digital payments industry;
- 50% of the members have developed strong skills in administration, finance, control and audit, gained within companies and financial institutions of primary relevance in Italy;
- 20% of the members of the Board of Directors have specific academic and professional experience in both accounting and legal matters.

The mix of skills of the Board of Directors is well balanced and strengthened by the knowledge of Nexi's business that has involved the current Board of Directors in Nexi's growth and development. In this regard, the Board suggests to ensure an adequate continuity in the composition of the administrative body, in order to enhance the know-how acquired by the Directors, necessary to continue and support the current development moment started by the current Board of Directors.

The expiring Board of Directors has classified this experience, knowledge and expertise which are the matrix skill of this Guidelines, in a proposal, showing the ideal breadth and balance of individual experience within the Board of Directors as a whole.

The elements to be considered in order to further enhance the skills and experience of the administrative body as a whole are:

- ensuring the presence of managerial profiles with high seniority and experience in leading companies (also in an international contest);
- ensuring the presence of primary business expertise in the digital field (with specific reference to the paytech industry);
- ensuring the constant monitoring of the Italian and international regulatory issues in the industry;



- ensuring an adequate banking industry knowledge and know-how in the payments industry;
- representing an expertise in the sustainability field (ESG);
- representing the overall internationality of the Nexi group.

The Board recommends that the above skills are represented within the Board of Directors, as the availability of different experiences and skills ensures the complementarity of the professional profiles and promote the mix of viewpoints during discussions and the efficient functioning of the board.

The issue of soft skills was also specifically addressed by the current members of the Board of Directors, which believes the following attributes to be of major importance, also within the future Board of Directors:

- the ability to work with the management;
- the ability to express its opinions with autonomous judgment and independence of substance;
- the ability to find a balance point and to take a constructive approach to handling conflicts;
- the ability to work in a team;
- the strategic thinking skills and practicing risk identification.

It seems essential that all the Directors provide adequate availability of time and energy and ensure that they are available to carry out the responsibilities and tasks entrusted to them with diligence, considering both the number and nature of the offices held within the body and its committees, and the commitment required of them by the additional work and professional activities carried out.

Consequently, the new board composition must therefore take into account the Company's current and prospective needs, as well as the need to preserve an adequate gender, age and seniority diversity, which takes into account of the applicable legal and regulatory provisions. Nexi deems diversity to be a value that contributes positively to the effectiveness of the activities of the corporate bodies. Nexi pursues an objective of integrating different profiles, thus recognizing, for the proper performance of the corporate body, the importance of a complementarity of experience and skills, to be combined with gender and age groups diversity.

Therefore, the Shareholders are requested - when drawing up the slates of Directors' candidates - to ensure compliance with the requirements concerning gender balance pursuant to the applicable laws, as well as to consider the benefits that may arise from the presence on the Board of Directors of different age groups, seniority and internationality.

### **3. Required Commitments for the Office**

The adequate availability of time and energy to dedicate to the office, in view of its nature, quality and complexity, is a key requirement that board candidates must guarantee, also in connection to the activities related to the participation to the board Committee of which they may be members.

In addition, the commitment necessary for the preparation for the meetings and the attendance to the induction meetings and training initiatives organised for the directors should be taken into account.

The Board recommends that candidates accept their appointment if they believe that they are able to dedicate sufficient time to the diligent fulfilment of their office. This should happen taking into account their work commitments as well as the overall number of directorships and audit offices they hold in other companies listed in regulated Italian and foreign markets, or in companies of significant size (as defined in the guideline of the Board of Directors on the maximum number of offices that can be considered compatible with an effective performance of the office of director of the company), and the related commitment, including with regard to membership of board committees. Reference should also be made to the rules governing the cumulative number of offices held by directors.

In order to allow the Shareholders to evaluate the amount of time that Board candidates must commit to, and



to allow such candidates to evaluate whether or not they are able to prepare for and take part in the meetings, the expiring Board of Directors has prepared a table showing the number of meetings and commitments in terms of time for members of the Board and Board Committees, based on the 2021 data:

BODY	NUMBER OF MEETINGS	AVERAGE DURATION OF MEETINGS
Board of Directors	17	2 h 30 min
Control, Risk and Sustainability Committee	12	2 h
Remuneration and Appointment Committee	9	2 h
Related Parties Committee	2	1 h 30 min

#### 4. Key officers

The Board of Directors, in view of the significance of the role that the members are called upon to perform, have also indicated the main attributes that they must possess.

##### Chairman of the Board of Directors

In addition to the attributes required for all the Directors, the Board recommends that the Chairman of the Board of Directors should have a non-executive role and should not hold significant proxies and should not, not even *de facto*, have an operational role, unless the case of standing in for the Chief Executive Officer in the event of absence or impediment..

The Chairman is characterised by the following significant attributes:

- authoritativeness and personal standing, in order to ensure a transparent and effective management of the Board of Directors and to represent a figure of guarantee for all the Shareholders;
- leadership and the capacity to synthesise and communicate fostering internal dialogue and taking full advantage of the range of skills and experience contributed by the directors;
- appropriate knowledge and expertise in corporate governance, based on previous experience gained in the boards of directors or at the top management level of listed companies whose size, complexity and international standing are comparable to those of Nexi;
- capacity to manage issues of strategic interest to the Company’s business and a strong awareness of sustainability issue;
- considering the international perimeter of the Group, it is important to have an appropriate knowledge of at least the English language.

##### Chief Executive Officer

In addition to the attributes required for all the directors, the Board deems it advisable that the Chief Executive Officer is characterised by the following relevant attributes:

- necessary personal and professional standing to fulfil the role
- leadership and a recognized strategic vision, a significant and successful management experience in comparable executive roles at the top of large listed, structured and highly complex companies comparable to Nexi;
- preferably has gained in-depth knowledge and expertise in Nexi’s business, with specific reference to issues related to digital payments or connected sectors characterised by strong technological and innovative components;
- in-depth knowledge in financial-economic and operational control of large and structured companies;
- ability to guide the management and to involve and lead all the people of Nexi, creating a collaborative

spirit among co-workers;

- interpersonal skills and credibility in dealing with shareholders and public and private institutions, also on an international level;
- considering the international perimeter of the Group, it is important to have an appropriate knowledge of at least the English language.

In terms of relations between the Chairman and the Chief Executive Officer, the Board of Directors wishes to highlight the need for the two roles to complement each other, in order to ensure effective governance of the Company.

### **Board committees**

With reference to the Committees, the Board appreciates their current structure and composition, while highlighting the opportunity for a greater diversification of the members in the future, in order to better enhance the skills and experience of each one.

### **Filing of slates of Board candidates**

In order to provide the Shareholders with sufficient time to submit slates of candidates for the appointment as to Nexi's Directors and to evaluate such slates before being asked to vote on them, the Board of Directors decided to publish the Guidelines hereby in appropriate advance to the Shareholders' Meeting to be called to appoint the new Company's Board of Directors. The Board hopes that the Shareholders intending to submit a slate will file it earlier than the 25-days term provided by the current provisions of law.

In filing the slates, Shareholders are invited to bear in mind the recommendation in the Preamble regarding the information and documentation to be provided.