



**FIERA MILANO**

**FIERA MILANO S.p.A.**  
**CORPORATE GOVERNANCE REPORT AND**  
**OWNERSHIP STRUCTURE AS AT 31 DECEMBER 2021**

*drawn up in accordance with Article 123-bis of Legislative Decree no. 58 of 24*

*February 1998*

*approved by the Board of Directors' Meeting of 15 March 2022*

*Company website [www.fieramilano.it](http://www.fieramilano.it)*

*(in the Investors section)*

This document contains a true translation in English of the Italian document "*Relazione sul Governo Societario e gli Assetti Proprietari al 31 dicembre 2021*". However, for information about Fiera Milano reference should be made exclusively to the original document in Italian. The Italian version of the document "*Relazione sul Governo Societario e gli Assetti Proprietari al 31 dicembre 2021*" shall prevail upon the English version.

**Fiera Milano S.p.A.**

Registered office: Piazzale Carlo Magno, 1 - 20149 Milan

Operational and administrative office: SS del Sempione, 28 - 20017 Rho (Milan)

Share Capital: Euro 42,445,141 fully paid up.

Companies Register, Tax Reference and VAT no. 13194800150 Economic Administrative Register 1623812

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# Background

Fiera Milano S.p.A. (hereinafter, the '**Company**' or '**Fiera Milano**') with this Report on Corporate Governance and Ownership Structure (hereinafter, the '**Report**') intends to provide a general and systematic overview of its corporate governance structure, information on its ownership structure, and information on the application of the recommendations contained in the principles and recommendations of the Corporate Governance Code of listed companies of Borsa Italiana (the Italian Stock Exchange), approved by the Corporate Governance Committee in January 2020 and in force since 1 January 2021 (hereinafter, the '**Corporate Governance Code**'). The term corporate governance is used to identify the body of rules and procedures for managing and controlling joint-stock companies. An effective and efficient business organisation model must be capable of using the correct means to manage business risks and potential conflicts of interest that can arise between Directors and shareholders and between controlling and non-controlling interests. These aspects are of even greater significance in listed companies with a wide shareholder base.

The indications given by Borsa Italiana in the 'Format for the Report on Corporate Governance and Ownership Structure' issued in January 2022 and Recommendations formulated by the Corporate Governance Committee have been taken into account in the preparation of this Report.

## 1. Issuer Profile

Fiera Milano, an issuer of shares listed on the Euronext Milan market, previously known as the Mercato Telematico Azionario (MTA), STAR Segment of Borsa Italiana S.p.A. (hereinafter, '**Borsa Italiana**'), adopts a system of corporate governance that conforms to laws and regulates and is aligned with the contents of the Corporate Governance Code.

The Company, which exercises direction and coordination over its direct subsidiaries, uses a traditional administration and control model based on the existence of a Board of Directors and a Board of Statutory Auditors.

Fiera Milano qualifies as a Small and Medium Enterprise (hereinafter '**SME**') under Article 1, paragraph 1.w-quater).1 of Legislative Decree 58 of 24 February 1998 (hereinafter the '**Consolidated Finance Act**'); the capitalisation of the Company, in fact, is Euro 243,082,262 at 31 December 2021, with revenue of Euro 106,908,410, at 31 December 2021.

\* \* \* \*

Under the provisions of the Corporate Governance Code, the Board of Directors of the Company has initiated a process aiming to strengthen further the sustainability policies adopted by the Fiera Milano Group, pursuing the objective of creating long-term value to the benefit of shareholders and all stakeholders. Medium- to long-term objectives in the various areas of sustainability are already an integral part of the 'CONN.E.C.T. 2025' Strategic Plan, which was approved by the Board of Directors and presented to the market on 22 February 2021.

Fiera Milano publishes the Consolidated Non-Financial Statement. pursuant to Legislative Decree 254/2016, the so-called. 'Sustainability Report', which supplements the information in the Annual Financial Report by detailing performance and key sector indicators from a sustainability and social responsibility perspective.

The Sustainability Report is available on the Company's website, [www.fieramilano.it](http://www.fieramilano.it), in the Investors/Documents section.

## 2. Disclosure on the ownership structure (Article 123-bis, paragraph 1, Consolidated Finance Act)

### 2.1 Structure of share capital (Article 123-bis, paragraph 1.a), Consolidated Finance Act)

The paid-in share capital is equal to Euro 42,445,141.00 (forty-two million four hundred and forty-five thousand one hundred and forty-one) and comprises 71,917,829 (seventy-one million nine hundred and seventeen thousand eight hundred and twenty-nine) registered shares with no nominal value.

The shares are indivisible and carry one voting right each, except in the case of treasury shares held directly and indirectly which do not have this right.

The Company has issued no other financial instruments with rights to subscribe to newly issued shares.

At 31 December 2021, the Company had no share-based incentive schemes involving an increase, against payment or free of charge, in the share capital.

### 2.2 Restrictions on the transfer of shares (Article 123-bis, paragraph 1.b), Consolidated Finance Act)

There are no restrictions on the transfer of shares.

### 2.3 Significant investments (Article 123-bis, paragraph 1.c), Consolidated Finance Act)

The Company is classified as an SME and, therefore, under Article 120, paragraph 2, of the Consolidated Finance Act, the significant threshold for reporting significant investments is 5%.

According to the shareholders' register and communications received pursuant to Article 120 of the Consolidated Finance Act, the shareholders who at 15 March 2022 held, directly or indirectly, shares equal to 5% or more of the share capital were as follows:

Declarant	Direct Shareholder	No. Shares	% of Ordinary Share Capital	% of Voting Capital
<b>Fondazione E.A. Fiera Internazionale di Milano</b>	Fondazione E.A. Fiera Internazionale di Milano	45,898,995	63.821	64.065
	<b>Total</b>	<b>45,898,995</b>	<b>63.821</b>	<b>64.065</b>
<b>Milan-Monza-Brianza-Lodi Chamber of Commerce (formerly Milan Chamber of Commerce, Industry and Agriculture)</b>	Parcam S.r.l.	4,689,316	6.520	6.545
	Milan-Monza-Brianza-Lodi Chamber of Commerce (formerly Milan Chamber of Commerce, Industry and Agriculture)	1	0,000	0,000
	<b>Total</b>	<b>4,689,317</b>	<b>6.520</b>	<b>6.545</b>

#### **2.4 Shares with special rights (Article 123-bis, paragraph 1.d), Consolidated Finance Act)**

No shares with special rights have been issued.

#### **2.5 Employee stock options: mechanism for exercising voting rights (Article 123-bis, paragraph 1.e), Consolidated Finance Act)**

At 31 December 2021, there were no employee stock option plans.

#### **2.6 Restrictions on voting rights (Article 123-bis, paragraph 1.f), Consolidated Finance Act)**

There are no restrictions on voting rights.

#### **2.7 Shareholders' agreements (Article 123-bis, paragraph 1.g), Consolidated Finance Act)**

There are no shareholders' agreements pursuant to Article 122 of the Consolidated Finance Act.

#### **2.8 Change of control clauses (Article 123-bis, paragraph 1.h), Consolidated Finance Act) and provisions in the Articles of Association regarding tender offers (Article 104, paragraph 1-ter and Article 104-bis, Consolidated Finance Act)**

There are no change of control clauses pursuant to Article 123-*bis*, paragraph 1.h) of the Consolidated Finance Act.

Regarding tender offers, the Company Articles of Association meet current regulations on the passivity rule and do not provide for application of the neutralisation measures under Article 104-*bis*, paragraphs 2 and 3 of the Consolidated Finance Act.

#### **2.9 Mandates to increase the share capital and authorisations for the purchase of treasury shares (Article 123-bis, paragraph 1.m), Consolidated Finance Act)**

In 2021, the Shareholders' Meeting gave no authorisation to the Board of Directors to increase the share capital pursuant to Article 2443 of the Italian Civil Code.

Concerning the purchase of treasury shares, 12 October 2021 saw the expiration of the 18-month authorisation to purchase own shares and to dispose of all or part of the own shares purchased without time limits and even before having completed the purchases - approved for 18 months by the Shareholders' Meeting of 20 April 2020. The authorisation mentioned above had stipulated that (i) the maximum number of shares acquired, including those already owned by the Company and its subsidiaries, could not exceed 5% of shares making up the share capital of the Company, (ii) the purchase price of each share could not be higher than the greater of the highest price of the last independent transaction and the current highest independent offer price on the trading date on which the acquisition is made, whilst respecting the requirement that the unit price of the shares must not be 10% higher or lower than the reference price of Fiera Milano shares on the MTA market organised and operated by Borsa Italiana on the trading day preceding any

single transaction, (iii) shares could be disposed of in one or more transactions even before the authority to acquire the shares had been completed, and (iv) the disposal price could not be lower than the lowest price at which the shares were acquired; this restriction on the disposal price does not apply if the shares are disposed of as part of a stock option plan.

The Company did not implement the aforementioned plan.

At the date of this Report, Fiera Milano directly held 273,758 treasury shares, equal to 0.38% of the share capital.

## **2.10 Direction and coordination (Article 2497 et seq., Italian Civil Code)**

As approved by the General Council of its controlling entity Fondazione Ente Autonomo Fiera Internazionale di Milano on 26 July 2004, Fiera Milano has autonomous organisational and decision-making powers and is not subject to direction or coordination – pursuant to Article 2497 et seq. of the Italian Civil Code – by the parent. Any presumption of direction and coordination is negated by the fact that Fondazione Ente Autonomo Fiera Internazionale di Milano exerts no decisive influence on the long-term strategic plans or annual budgets of Fiera Milano or on its investment decisions, nor does it determine its policies regarding the acquisition of goods and services on the market, or coordinates any business initiative or activity in the sectors in which the Company and its subsidiaries or associates operate.

Fiera Milano exercises direction and control over its direct subsidiaries. At 31 December 2021, the Company exercised direction and control over: i) wholly owned companies, i.e. Fiera Milano Congressi S.p.A. and Nolostand S.p.A.; and ii) the subsidiary Made Eventi S.r.l. Until 16 December 2021 (the effective date of the merger by incorporation of the wholly-owned subsidiary Fiera Milano Media S.p.A.), the Company also exercised management and coordination activities over Fiera Milano Media S.p.A.

Direction and control activities are governed by the Guidelines on Direction and Coordination, approved by the Board of Directors of the Company in the meeting of 31 July 2019 (reference is made to § 14.2).

## **3. Compliance (Article 123-bis, Paragraph 2.A), Consolidated Finance Act)**

At the Board of Directors' meeting on 15 December 2020, Fiera Milano adopted the new Corporate Governance Code approved by the Corporate Governance Committee of Borsa Italiana in January 2020.

The Corporate Governance Code is publicly available on the website of the Committee for Corporate Governance at <https://www.borsaitaliana.it/comitato-corporate-governance/codice/2020.pdf>

The corporate governance structure of Fiera Milano is not affected by non-Italian legal provisions.

## **4. Board of Directors**

### **4.1 Role of the Board of Directors**

The Board of Directors has a central role in the business organisation and is responsible for its activities and its strategic and operating guidelines, as well as for verifying the existence of controls necessary to monitor Company and Group performance. Pursuant



to Article 17.2 letter b of the Articles of Association, the Board of Directors is exclusively responsible, among other things, for approving the strategic guidelines and policies, the industrial and financial plans and the policies for assuming and managing all risks. The Board defines the Company and Fiera Milano Group's industrial strategy in line with the objective of pursuing sustainable success and creating long-term value for the benefit of shareholders and all stakeholders. These objectives are an integral part of the 'CONN.E.C.T. 2025' Strategic Plan, approved by the Board of Directors on 22 February 2021.

The Board of Directors actively promotes dialogue with the Company's Shareholders and other Stakeholders. The board meeting of 28 July 2021 approved the 'Policy for managing dialogue with institutional investors and shareholders in general', described in greater detail in Chapter 12 of this Report.

The Board of Directors is invested with the broadest powers for the ordinary and extraordinary management of the Company; in particular, it has the power to take any action it deems appropriate or useful to achieving the corporate purpose, except actions which, by Italian Law, are decided by the Shareholders' Meeting.

In addition, pursuant to Article 17.1 of the Articles of Association, responsibility for the following is also attributed to the Board of Directors:

- (i) merger decisions in cases indicated in Articles 2505 and 2505-*bis* of the Italian Civil Code;
- (ii) the establishment and closure of secondary branches;
- (iii) the reduction in share capital in cases of withdrawal by shareholders;
- (iv) alignment of the Articles of Association to regulatory requirements;
- (v) the transfer of the Company's registered office within the Province.

Under Article 17.2 of the Articles of Association, as most recently amended by the Shareholders' Meeting of 5 October 2021<sup>1</sup>, in addition to the responsibilities that by Italian Law may not be delegated, the Board of Directors also has exclusive responsibility for:

- (a) the purchase, subscription, and transfer, on its own account, of shares, investments or interests in other companies, including newly established companies, and the transfer of option rights, except transactions concerning the mere investment of liquidity;
- (b) the approval of strategic guidelines and policies, industrial and financial plans of all risk assumption and risk management policies, with no exceptions, as well as evaluation of the functionality, efficiency and effectiveness of the internal control systems of the Company;
- (c) the spin-off of property and movable assets to other companies, both those in the process of being established and those already established;
- (d) any form of loan taken out by the Company exceeding the limit of 30% of equity;
- (e) agreements for mortgages, encumbrances or other guarantee rights of any type whatsoever on all or relevant parts of the Company's bonds, property or assets;
- (f) budget approval;
- (g) bank guarantees to third parties granted by the Company;
- (h) the conclusion of property contracts, with the sole exception of (i) real estate rental contracts concluded for the performance of the Company's business for periods not exceeding six years and (ii) real estate rental contracts concluded for the benefit of

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<sup>1</sup> Please note that to make it easier to manage the Company, the Extraordinary Shareholders' Meeting of 5 October 2021 resolved to amend letter (i) of Article 17.2 of the Articles of Association.

Company employees included in the approved budget and for periods not exceeding four years;

- (i) (i) the conferment of appointments, consultancy, services not provided within budget limits, as supplemented and amended during the year, exceeding Euro 250,000.00 (two hundred and fifty thousand) per individual transaction;
- (j) the appointment of the General Manager – and possibly one or two Deputy General Managers – as well as the appointment of the Chief Operating Officer and Senior Executives – on the proposal of the Chief Executive Officer if appointed or of the Chairman and the determination of the relevant powers;
- (k) the appointment or termination of the position of Financial Reporting Officer;
- (l) the appointment of the Supervisory Board;
- (m) the establishment and disbanding of internal Committees of the Board of Directors, the appointment, removal, and remuneration of their members and approval of their operating procedures;
- (n) the appointment and removal of the Internal Audit Manager as proposed by the Chief Executive Officer, after having obtained the opinion of the Board of Statutory Auditors and of the Independent Directors.

The Board of Directors also decided that it should have exclusive responsibility for the following:

- preparing and approving the business plan, as proposed by the Chief Executive Officer, and the strategic objectives contained therein;
- all extraordinary administrative measures.

#### **4.2 Appointment and replacement (Article 123-bis, paragraph 1.I), Consolidated Finance Act)**

As required by law and by the Articles of Association, the appointment of members of the Board of Directors is from lists presented by shareholders who, either alone or in concert with other shareholders, hold at least 2.5% of the Company share capital, as established by the Articles of Association and by Consob Resolution 60 of 28 January 2022. The lists must be filed with the registered office of the Company at least twenty-five days prior to the date set for the Shareholders' Meeting on first call and must be made publicly available at least twenty-one days prior to this date in compliance with current regulations.

Ownership of the minimum shareholding required to present lists is based on the shares confirmed as registered to the shareholder on the day on which the lists are filed with the Company. To prove ownership of the minimum number of shares required to present lists, shareholders must submit the relative certification released by authorised intermediaries in accordance with law by the Company's list publication deadline.

Each list must be filed, by the aforementioned deadlines, with *(i)* information concerning the identity of the shareholders who have presented the list and their percentage shareholding, *(ii)* statements in which each candidate accepts the candidacy, confirming that there is no cause that would make them ineligible or incompatible and that they meet the necessary requirements for appointment under current regulations, including any independence requirements for Statutory Auditors required by law and by the Corporate Governance Code, and that they do not exceed the limit to the total number of administration and control positions held in other companies, listed or unlisted; the statements of each candidate must confirm possession of the capacity for free expression and must also include a specific undertaking from each candidate that they will maintain their ability for independent judgement free from any external influence for the entire

term of office, as well as a specific undertaking to dedicate an amount of time to the position consistent with correct and diligent fulfilment of the role and not to assume other administration and control positions that violate the internal regulation of the Company regarding the limit to the total number of positions held pursuant to this Article; *(iii)* a professional curriculum vitae from each candidate, indicating administrative and control and executive positions currently held and those held previously.

It is also a legal requirement that at least one Director be appointed from the list with the greatest number of votes presented by minority shareholders and that is in no way connected, even indirectly, with the shareholders who presented, or acted in concert to present, or voted for the list that received the highest number of votes.

With reference to the appointment and replacement of members of the Board of Directors, the Articles of Association, in compliance with the requirements of Article 147-ter, paragraph 1-ter, of the Consolidated Finance Act and Article 144-undecies 1 of the Regulation adopted with Consob resolution 11791 approved by resolution dated 14 May 1999, and subsequent amendments and modifications (hereinafter the '**Issuers' Regulation**'), require that:

- the number of Directors respects the principle of gender balance, in compliance with applicable regulations<sup>2</sup>;
- the way in which the lists are drawn up and the substitution mechanisms for replacing persons during their term of office guarantee compliance with the principle of gender balance;
- the mechanisms used should ensure that the elected body not respect the principle of gender balance ensure that some or all of the last persons elected from the list that obtained the highest number of votes and that are of the gender most represented must step down to ensure compliance with the principle of gender balance, and must be replaced by the first persons that failed to be elected on the same list and belong to the less represented gender.

The Directors must meet the professionalism and integrity requirements according to applicable laws, failing which they will be ineligible or will have to step down from office. The composition of the Board of Directors must reflect an adequate level of diversity in terms of skills, experience, age, gender and international profile.

To co-opt Directors to the Board, the Board of Directors must ascertain in advance the optimum qualitative and quantitative composition in order to identify and ensure the correct theoretical profile (including proven and continuing professionalism and independence) of the candidates.

The majority of members of the Board of Directors must meet the independence requirements for Statutory Auditors according to current law and also the independence requirements established in the Corporate Governance Code. Independent Directors, according to their documented experience, must possess the professionalism to ensure a high level of internal discussion in the Board of Directors and to make an effective contribution to its decision-making process.

The Board of Directors assesses the existence of the independence requirements based on all the criteria and recommendations set out in the Corporate Governance Code: *(i)* on the initial appointment of a new Director qualifying as independent; *(ii)* on the re-appointment of all Directors qualifying as independent.

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<sup>2</sup>Article 14.4 of the Articles of Association has been brought into line with regulatory provisions by resolution of the Board of Directors on 10 March 2020, and duly registered with the Register of Companies.

The Board of Directors will ascertain annually that the requirements for independence of Directors already appointed are still met. In all cases, an assessment that each Director classified as independent meets the independence requirements must be carried out by the Board of Directors in accordance with the principle of substance over form. Should the requirements for independence, as defined above, be found to be lacking in any independent director, they will forfeit the position unless at least the majority of members of the Board of Directors still meets the independence requirements. An independent Director losing their independence requirements during the term of office must immediately inform the Board of Directors. Furthermore, the independence requirement will be considered not met if a Director has already held three consecutive positions as independent director of the Company.

The complete Articles of Association are available on the Company website [www.fieramilano.it](http://www.fieramilano.it) in the section *Investors/Corporate Governance/Articles of Association*.

In December 2020, the Board of Directors of Fiera Milano, taking into account the criteria identified by the Corporate Governance Code, defined the quantitative criteria to be used to assess the significance of existing relationships for the assessment of the fulfilment of the independence requirement.

In particular, the Board of Directors decided to use, in determining the materiality threshold of the 'significant commercial relationship' and 'significant additional remuneration' referred to in Recommendation 7 letters c) and d)<sup>3</sup> the criteria already adopted by the Company in the Procedure for Related Party Transactions, which qualifies commercial relationships with individuals within the threshold of Euro 50,000.00 as Small Amounts.

In the current Board of Directors, the majority of directors are independent according to all applicable laws and regulations and the Corporate Governance Code, whose requirements must be met in full by Fiera Milano directors to qualify as independent. As indicated in the Corporate Governance Code, a Director of a listed issuer is not normally considered independent if they:

- a) are a significant shareholder of the company;
- b) if they are, or have been in the preceding three financial years, an executive director or an employee: of the company, a strategically important subsidiary of the company or a company under common control;
- c) if, directly or indirectly (e.g. through subsidiaries or companies of which they are an executive director, or as a partner of a professional firm or a consulting company), they have or have had in the previous three financial years a significant commercial, financial or professional relationship (*i.e.* by resolution of the aforementioned Board

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<sup>3</sup> Recommendation 7 of the Corporate Governance Code:

*c) if, directly or indirectly (e.g. through subsidiaries or companies of which they are an executive director, or as a partner in a professional firm or consulting company), they have, or have had in the preceding three financial years, a significant commercial, financial or professional relationship: (i) with the company or its subsidiaries, or its executive directors or top management; (ii) with a party who, together with others through a shareholders' agreement, controls the company; or, if the parent company is a company or entity, with its executive directors or top management;*

*d) if they receive, or have received in the previous three financial years, from the company, one of its subsidiaries or the parent company, significant remuneration additional to the fixed remuneration for the office and to that provided for participation in the committees recommended by the Code or provided for by the regulations in force.*

- of Directors of December 2020, a commercial, financial or professional relationship exceeding Euro 50,000);
- d) if they receive, or have received in the previous three financial years, from the company, one of its subsidiaries or the parent company, a significant remuneration (*i.e.* by resolution of the aforementioned Board of Directors of December 2020, a remuneration exceeding Euro 50,000) in addition to the fixed remuneration for the office and to that provided for participation in the committees recommended by the Code or provided for by the regulations in force;
  - e) if they have been a Director of the company for more than nine financial years, even if not consecutive, in the last twelve financial years;
  - f) are an executive Director in another company in which an executive Director of the issuer is also a Director;
  - g) if they are a shareholder or director of a company or entity belonging to the group of the company that is appointed as auditor to the company;
  - h) is closely related to a person in any of the situations described above.

### **4.3 Composition (Article 123-bis, paragraphs 2.d) and 2.d-bis), Consolidated Finance Act)**

The current Board of Directors was appointed by the Shareholders' Meeting of 20 April 2020 and the term of office will expire with the Shareholders' Meeting called to approve the financial statements at 31 December 2022.

At the Shareholders' Meeting of 2 October 2020, Chairman Carlo Bonomi, co-opted by the Board of Directors on 25 April 2020, was confirmed as director and Chairman of Fiera Milano. At the same meeting, Luca Palermo was appointed as a director. Both directors appointed at the Shareholders' Meeting of 2 October 2020 will expire together with the entire Board of Directors with the approval of the financial statements at 31 December 2022.

Following his appointment by the Board of Directors on 15 December 2020, Mr Luca Palermo took over as CEO and General Manager from 1 January 2021.

The Board of Directors currently consists of nine Directors, all of whom with the professionalism and skills appropriate to the tasks entrusted to them, as shown by the CVs/resumes of the individual Directors and as confirmed at the end of the Self-Assessment activity carried out by the Board of Directors for the year 2021.

A brief CV/resume for each Director in office at 31 December 2021 giving their main personal and professional details, as well as a list of positions held, is given below.

- **Carlo Bonomi**, Chairman, confirmed by the Shareholders' Meeting of 2 October 2020 following his appointment pursuant to Article 2386 of the Italian Civil Code by the Board of Directors on 25 April 2020 (**Non-independent non-executive Director - Chairman**).  
Born in Crema (CR) on 2 August 1966, he is a businessman in the biomedical sector. His career has been marked by an interest in research and working in highly innovative companies.  
He is currently Chairman of the Board of Directors of the companies l'Impronta S.r.l., Emotec S.r.l., Sidam S.r.l., Marsupium S.r.l., Ocean S.r.l.. He is an Independent Director of Dulevo International S.p.A. and Muzinich & Co. He is also a Director of Bocconi University and a member of the Board of Directors of Fondazione Assolombarda.

Former President of Assolombarda, he was elected President of Confindustria in 2020.

**Luca Albino Palermo**, Chief Executive Officer, appointed director by the Shareholders' Meeting of 2 October 2020 and Chief Executive Officer (and General Manager) by the Board of Directors of 15 December 2020 with effect from 1 January 2021 (**non-independent executive director - Chief Executive Officer**).

Born in Ivrea (TO) on 29 October 1970, he graduated in Economics and Business at the University of Pavia and obtained a General Management Programme at Harvard Business School. He also continued his education with an Executive Master's Degree in marketing (IMD) and an Executive Master's Degree in strategy (Sole 24 Ore Business School). He was Regional Trade Marketing Manager at Robert Bosch S.p.A., CRM Senior Project Manager at Matrix S.p.A., General Manager in Acroservizi S.p.A. and Regional Sales Director for Vodafone Italia N.V. More recently, he was CEO of Nexive Italia S.p.A. and Logista Italia S.p.A. Until December 2020 he was CEO and General Manager of Edenred Italia S.r.l., and a member of the Board of Directors of Edenred Italia Fin S.r.l.

- **Alberto Baldan**, Director, appointed by the Shareholders' Meeting of 20 April 2020, meets the requirements for independence under Article 148, paragraph 3 of the Consolidated Finance Act and under the Corporate Governance Code (**Independent Non-executive Director**).

Born in Venice on 21 October 1960, he graduated in Economics. He is currently Chief Executive Officer of Grandi Stazioni Retail S.p.A. and a member of the Board of Directors of Illy Caffè S.p.A. and Hippocrates Holding S.p.A.

- **Stefania Chiaruttini**, Director, reappointed to the position of Director by the Shareholders' Meeting of 20 April 2020, is independent pursuant to Article 148, paragraph 3, of the Consolidated Finance Act and pursuant to the Corporate Governance Code (**independent non-executive Director**).

Born in Este (Padua) on 11 August 1962, she has been a Chartered Accountant since 1997 and is a founding partner of the firm Chiaruttini & Associati.

For over 30 years she has exclusively practised as a Chartered Accountant and Auditor. She began her career with a prestigious Milan studio, in 1997 going on to establish Studio Chiaruttini & Associati.

Specialising in criminal economics law, market fraud and corporate crises, she has also gained experience with banks and financial institutions as commissioner, member of supervisory committees and curator appointed by the Ministry for the Economy. Over the course of her career she has specialised in corporate crises and has been a consultant -on behalf of business executives and courts- as well as judicial curator and commissioner.

Stefania Chiaruttini has gained particular experience in the prevention of the administrative liability of companies and entities, holding numerous consulting positions for the preparation of organisational models pursuant to Legislative Decree 231/2001, and accepting appointments as member of the supervisory bodies of banking and industrial companies.

An expert in business assessment, she also works alongside magistrates and major law offices as technical consultant, has held and still holds positions as Statutory Auditor, Director and Receiver in various listed and unlisted companies and is an Official Receiver under Law 270/99 and the Marzano Law.

Ms Chiaruttini also has over 20 years of experience in Corporate Governance and listed companies holding corporate positions held in important listed companies, such as, most notably: member of the Supervisory Board of Banco BPM and Statutory Auditor in SNAM S.p.A.

She is currently Chairman of the Board of Statutory Auditors of United Ventures One S.p.A. SICAF EuVeca and United Ventures SGR S.p.A., Statutory Auditor of Banco di Desio e della Brianza S.p.A. and also a member of the Board of Directors of Illimity SGR S.p.A.

- **Anna Gatti**, Director, appointed by the Shareholders' Meeting of 20 April 2020, meets the requirements for independence under Article 148, paragraph 3 of the Consolidated Finance Act and under the Corporate Governance Code (**Independent Non-executive Director**).

She graduated in Business Administration from Bocconi University in Milan, where she obtained a PhD in Business Administration and Management. She continued her training at Stanford University in Palo Alto (Post-doctoral Program in Organizational Behavior) and the University of Trento (PhD in Criminology), and in 2002 she became a researcher at the University of California Berkeley. From 2002-2004 she was Senior Economist for the World Health Organisation and, from 2004-2007, a partner at Mycube.

From 2007 to 2012, she successively held the positions of Head of International Consumer Operations at Google, Head of International Online Sales and Operations and Head of Strategic Partnership Operations at YouTube and Senior Director of Advertising and New Monetization at Skype/MSFT. In 2012, she co-founded an Artificial Intelligence start-up in San Francisco and was its CEO until 2015. She holds consultancy positions at Lastminute Group and did likewise for other international companies from 2016 to 2018. Since 2016 she has worked as an Angel Investor in Silicon Valley.

She was a member of the Board of Directors of the listed companies Buongiorno, Piquadro, Gtech/IGT, Banzai, Ray Way and Lastminute Group. She currently sits on the Board of Directors of WiZink Bank, Wizz Air Holdings and Intesa San Paolo S.p.A. Since October 2020, as Associate Professor at SDA 'Bocconi', she has led a research centre on innovation in Life Sciences and Biotechnology. She is a registered professional journalist.

- **Francesca Golfetto**, Director, reappointed to the position of Director by the Shareholders' Meeting of 20 April 2020, is independent pursuant to Article 148, paragraph 3, of the Consolidated Finance Act and pursuant to the Corporate Governance Code (**independent non-executive Director**).

Born in Mirano (Venice) on 4 October 1950, she graduated in Economics from the University of Venice Ca' Foscari. She was a Visiting Scholar at Oxford University, the Said Business School and the University of Toronto, and has taught at the Universities of Turin, Venice, Toronto and Oxford. She is Emeritus Senior Professor of Management at Bocconi University in Milan. She is a management consultant in corporate and market strategy. She is the author of numerous international publications on management, also on the exhibition sector. She is a Chartered Accountant and Auditor and is on the register of consultants of the Milan Court for corporate valuations. She has been a member of boards of directors, both of listed and unlisted companies, of control and risk management committees, remuneration committees, and supervisory committees of companies in extraordinary administration. She is currently an independent director of the listed company Dea Capital S.p.A. and a statutory auditor of Pininfarina S.p.A.

- **Angelo Meregalli**, Director, appointed by the Shareholders' Meeting of 20 April 2020, meets the requirements for independence under Article 148, paragraph 3 of the Consolidated Finance Act and under the Corporate Governance Code (**Independent Non-executive Director**).

Born in Milan, he holds a degree in aeronautical engineering from Milan Polytechnic University. He began his career in technical and commercial roles for major multinationals in the aeronautical and industrial sectors. After an MBA from SDA Bocconi, he joined Booz Allen & Hamilton, working in management consulting for the pharmaceutical, automotive and tech industries. He then went on to work for the UniCredit Group, where he spent ten years in payments and household and SME loans, with responsibility for risk management, and national and international business development. He oversaw the goodwill of two consumer credit companies in Bulgaria and Romania, for the UniCredit Group, before becoming Head of the European Division of Retail Payment Systems. In 2012 he became Managing Director of PayPal Italy. He continued his career with FinTech, holding regional and later global roles. He spent the last two and a half years at PayPal's headquarters in Silicon Valley as Head of Global M&A and Strategic Partners Go-to-Market and participated in the US FinTech giant's most recent acquisitions. At the end of 2021, he became a Partner at BCG, specialising in digital payments and FinTech.

- **Marina Natale**, Director, reappointed to the position of Director by the Shareholders' Meeting of 20 April 2020, since September 2020 has been independent pursuant to Article 148, paragraph 3, of the Consolidated Finance Act and pursuant to the Corporate Governance Code (**independent non-executive Director**).  
Born in Saronno (Varese) on 13 May 1962, she graduated with honours in Economics from Cattolica University, Milan.  
She has held numerous positions in Unicredit S.p.A., the last of which as Deputy General Manager, after being appointed CFO in 2009 and having managed the most important external growth operations of the Group.  
She is currently CEO of AMCO S.p.A., a member of the Investors Committee of the Italian Recovery Fund (formerly Atlante II), a member of the Board of Directors of Webuild S.p.A. and Nexi S.p.A..
- **Elena Vasco**, Director, reappointed to the position of Director by the Shareholders' Meeting of 20 April 2020, is independent pursuant to Article 148, paragraph 3, of the Consolidated Finance Act and pursuant to the Corporate Governance Code (**independent non-executive Director**).  
Born in Hartford (USA) on 31 December 1964, she graduated with honours in Economics in Naples in 1989 and in 1991 received a Master's in Economics from Northeastern University, Boston.  
She has been the General Secretary of the Milan-Monza-Brianza-Lodi Chamber of Commerce since May 2015 and has worked there since 2009. Before that, from 1992 to 1997, she worked in Mediobanca Servizio Partecipazioni e Affari Speciali (consultancy, M&A and corporate finance). She then held several executive positions in the Hdp-RCS Group and was a member of numerous boards of directors of group companies including Valentino, RCS Editori, RCS Libri, Parmalat S.p.A., RAI Sat and Terna S.p.A..  
She is also currently a director of the listed companies DeA Capital S.p.A. and Cattolica Assicurazioni. She is also Deputy Chairman of the Board of Directors of Fondazione La Triennale di Milano.

For information on positions as Director or Statutory Auditor held by members of the Board of Directors in other companies listed on regulated markets, Italian or foreign, or in financial, banking or insurance companies or companies of significant size, please refer to the section above and Table 1 of this Report.



Note that the number of independent directors shown above exceeds the minimum ratio to the total number of Board Directors, is not only significant as required under applicable laws and regulations, but represents the majority of the directors in office.

With the exception of the Chief Executive Officer, all members of the Board are non-executive Directors since none has any management responsibility.

Given that the majority of the Board of Directors is made up of non-executive and independent directors with adequate and diversified managerial skills, the latter exercise significant influence over Board resolutions and effectively monitor the correctness of management.

The Board of Directors verified the independence requirements of the Directors at its Board meeting on 25 February 2022, by obtaining self-certification from each Director, now held on Company records. On the aforementioned date, the Board of Statutory Auditors, as part of its duties required by law, certified that the Board of Directors had correctly applied the criteria and procedures for ascertaining and evaluating the independence of its members. The Chairman of the Board of Directors and the Chairman of the Board of Statutory Auditors therefore confirmed that the independence requirements were met by the aforementioned Directors. Concerning the assessment of the independence of the Chairman of the Board of Directors, please note that due to the exercise of the operating powers received in 2020 following the resignation of the then-Chief Executive Officer Fabrizio Curci, the Board of Directors decided to qualify the Chairman as non-independent pursuant to Article 2 paragraph 7 letter b) of the Corporate Governance Code.

Profiles of the members of the Board of Directors may be found on the Company website [www.fieramilano.it](http://www.fieramilano.it) in the section *Investors/Corporate Governance/Corporate Bodies*.

- ***Diversity criteria and policies in Board composition and corporate organisation***

In the financial year under review, the following measures were implemented regarding the Company's strategy of diversity in the composition of the administration, management and control bodies.

Under the current Articles of Association, the composition of the Board of Directors must meet the legal requirements for gender balance. Moreover, the composition of the Board must reflect adequate diversity in terms of skills, experience, age, gender and international profile<sup>4</sup>.

Furthermore, the 'Regulation of the Board of Directors of Fiera Milano S.p.A.', drawn up in compliance with the provisions of current legislation and updated on 8 November 2021 to comply with the provisions of the Corporate Governance Code, already set out the requirements that directors must meet in addition to those provided for by current laws and regulations, to ensure the proper functioning of the administrative body.

Please also note that two-fifths of the Board of Directors of Fiera Milano consists of the least represented gender, i.e. men, and that generational and professional differences are adequately represented in addition to gender diversity.

In general, as regards the composition of the Board of Directors, a priority objective was to ensure that members have appropriate expertise and professionalism in order to ensure effective action.

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<sup>4</sup>In 2020, Fiera Milano's Articles of Association underwent an amendment by the Board of Directors to make them consistent with the new provisions of Law 160/2019 regarding the gender distribution of members of corporate bodies.

Regarding the diversity policies applied by the Company within its organisation, please also note that, in line with the provisions of its Code of Ethics, Fiera Milano offers all workers the same work opportunities. It ensures that everyone can enjoy fair treatment based on merit criteria without discrimination.

As far as the Fiera Milano Group is concerned, offering all employees the same opportunities to develop their own skills and capabilities, avoiding any form of discrimination based on race, sex, age, nationality, religion or personal beliefs, is considered a key pillar of its management policy. With particular reference to the issue of female employment, please note that Fiera Milano prepares a biannual report on gender equality in hiring employees, training, promotion and other factors, in compliance with Legislative Decree no. 198 of 11 April 2006.

In addition, in November 2021, the CEO announced to Group employees the appointment of a Diversity Manager. The inclusion of this new figure confirms the Company's continued commitment to promoting diversity and inclusion, oriented towards a change of perspective that focuses on the centrality of the individual, their needs and their uniqueness as an essential value for the corporate community.

Concerning the diversity policies adopted by the Company, please refer in more detail to the Consolidated Non-Financial Statement pursuant to Legislative Decree 254/2016, available on the Company's website, [www.fieramilano.it](http://www.fieramilano.it), in the Investors/Documents section.

**- Total number of positions held in other companies**

As required by the Company Articles of Association, in its Regulation the Board of Directors stipulated the maximum number of administration and control positions that can simultaneously be held by any Director to ensure that responsibilities as a Director of the Issuer are performed effectively.

The 'Regulation of the Board of Directors of Fiera Milano S.p.A.' set out criteria for the total number of positions that may be held by all members of the Board of Directors. Where more rigorous, the limits on holding several positions envisaged in *pro tempore* legal and regulatory provisions prevail. The Board of Directors assesses annually that the limit on the total number of positions that may be held is respected. Any Director that becomes aware that they exceed this limit must, within 10 (ten) days of learning this fact, inform the Company of how the limit has been exceeded and, within 90 (ninety) days, resign from one or more of the positions held. Within 5 (five) days of resigning, the member of the Board of Directors must inform the Company of the position or positions from which they have resigned.

The limits to the total number of administration, direction and control positions under the Regulation of the Board of Directors are summarised in the following table.

Fiera Milano S.p.A.	Listed companies and/or banks, financial or insurance entities and/or those of material size (Italian/Foreign)			
	Executive positions	Non-executive positions or positions without control		Total no. of positions
<b>Chief Executive Officer</b>	No	2		5
	Executive positions	Non-executive positions or positions without control		Total no. of positions
<b>Chairman</b>	No	In companies in which Fiera Milano S.p.A.	In companies in which Fiera Milano S.p.A.	8

		has NO shareholding	has a shareholding	
		3	5	
	Executive positions	Non-executive positions or positions without control		Total no. of positions
<b>Non-executive Directors</b>	3	When executive positions are also held		10
		5		
		When executive positions are NOT held		
		7		

In accordance with the Regulation:

- executive positions refer to: CEO, Member of the Management Committee, Chairman of the Board of Directors or of the Supervisory Committee, General Manager;
- non-executive positions and positions with control refer to: members of the Board of Directors with no executive responsibilities, members of the Supervisory Committee and members of the Board of Statutory Auditors;
- companies of material size refer to those with consolidated revenues in excess of Euro 500 million or with a total number of employees exceeding 500.

Lastly, in addition to any other incompatibilities according to law, any political or trade union positions are also considered incompatible.

#### **4.4 Operation of the Board of Directors (Article 123-bis, paragraph 2.d), Consolidated Finance Act)**

The Board of Directors of Fiera Milano has adopted a set of rules (the 'Regulation of the Board of Directors of Fiera Milano S.p.A.', hereinafter the '**Regulation**') – last updated on 8 November 2021 – to bring the organisation and operation of the Board of Directors into line with the provisions of current laws, the Articles of Association of the Company, the Corporate Governance Code and internal governance procedures.

Together with their attachments, the Regulation governs the appointment and composition, the operating methods, responsibilities, powers and funds of the Board of Directors, the assessment procedure and amendments to the Regulation. For anything not expressly provided for in the Regulation, the statutory and regulatory provisions in force at the time shall apply.

The rules of operation of internal committees are contained in the rules of procedure of those committees.

Pursuant to the Regulation, Board meetings are usually scheduled according to a timetable approved at the start of the year (as a rule, approval is given as early as the end of the previous year) to ensure maximum attendance at the meetings, as well as whenever necessary, or at least one third of the members of the Board or an Auditor so request, and in the cases provided for by law.

The corporate calendar is available on the Company website [www.fieramilano.it](http://www.fieramilano.it) in the section *Investors/Documents/Financial Calendar*.

The Chairman ensures the proper conduct of Board meetings and is supported by the Secretary in ensuring the timely delivery and adequacy of the documentation supplied ahead of the Board meetings and in ensuring that confidentiality of the data and

information given is maintained. In the absence or impediment of the Chairman, Board meetings are chaired by the most senior independent Director.

Under the Articles of Association, the majority of the current members of the Board of Directors must be present for any Board decision to be valid. Decisions are made on absolute majority vote of Directors present. In the case of a split outcome, the meeting Chairman will have the casting vote.

The Regulation governs, among other things, the timing and procedures relating to the flow of information to Directors to ensure effective management of Board information and allow Directors to express themselves in an informed manner on the matters submitted for their analysis and approval.

With particular reference to the transmission of pre-meeting documentation to Directors and Auditors, please note that the Board of Directors considered the deadline of three days prior to the date of the meeting as appropriate, except in cases of urgency, in which the documentation will be made available as soon as possible.

Pursuant to the Guidelines for the activities of the Financial Reporting Officer in preparing the company's financial reports, the documents relating to the approval of the draft financial statements and interim financial reports are submitted at least seven days before the date set for the Board of Directors' meeting.

Where, in specific cases, it is not possible to provide the necessary information within the time limit of three days before the meeting, the Chairman, with the help of the Secretary, shall ensure that appropriate and detailed information is provided during the meeting.

With the Company Secretariat's support, the Chairman ascertains that the information mentioned above has been provided to the Directors and the Statutory Auditors, confirming this at the start of the meeting. During the year ended 31 December 2021, compliance with deadlines was a constant focus of the Chairman, to ensure the adoption of suitable Board decisions, and deadlines were, generally, met.

The documentation relating to board meetings can be consulted and retrieved on the application for the computerised management of board meetings used by the Company, which allows maximum segregation of information, and easier and more immediate consultation of the documentation. This application was used for all Board of Directors' meetings and for internal committees.

Reports presented and decisions made at the Board meeting are minuted. Under the Articles of Association, the Secretary to the Board takes the minutes of the meetings. Following the meeting, a draft of the minutes is made available to Directors and Statutory Auditors on the IT application for comment which, except in urgent cases, must be sent to the Secretary before the next Board meeting, at which the final text of the minutes is submitted to the Board for approval. After approval, the minutes are transcribed in the company book and signed by the Chairman and the Secretary.

During the financial year ending 31 December 2021, the Board of Directors held 11 meetings. All the meetings were regularly and assiduously attended by the Directors (the number of meetings attended by each member of the Board of Directors is shown in Table 1). The average duration of the Board meetings was approximately two hours 30 minutes. At the date of approval of this Report, one Board meeting had been held during the current year.

The members of the Board of Directors have declared and have guaranteed that they will effectively carry out their roles and dedicate the necessary time to them. This was also confirmed by the significant number of Board meetings held in 2021 and by the high attendance rate of Directors at those meetings.

#### **4.5 Role of the Chairman of the Board of Directors**

The Chairman, pursuant to specific provisions in the articles of association: convenes and sets the Board of Directors' meeting agenda, encourages internal discussion, promotes the effective functioning of the corporate governance system, and ensures the balance of powers concerning the Chief Executive Officer.

The Chairman also manages Shareholders' meetings, ensures that the meeting is quorate, ascertains the identity and eligibility of those present, regulates meeting proceedings – including the order and duration of spoken contributions, determines the voting system, vote counting – and scrutinises the voting results. The Chairman is entitled to represent the Company before any judicial or administrative authority and sign on its behalf.

They coordinate the work of the Board and ensure that adequate information regarding items on the agenda of meetings is provided to all members. In particular, they shall ensure that (i) the Directors are provided, in good time, with the documentation supporting the Board's resolutions or, at least, with an initial report on the matters to be discussed and (ii) the documentation supporting the resolutions, in particular that provided to the non-executive members, is adequate in terms of quantity and quality with respect to the matters on the agenda.

In agreement with the Chief Executive Officer, Company or Group executives in charge of the corporate departments responsible for the specific matters on the agenda are invited to attend Board meetings to provide the appropriate details on the issues to be examined by the Board of Directors.

Please also note that during the approval of the CONN.E.C.T. 2025 business plan, the Chairman and the CEO agreed to hold two meetings to discuss the Fiera Milano Group's strategic guidelines and main economic, financial and sustainability targets for the 2021-2025 period. During these meetings, the Directors received adequate information on the context in which Fiera Milano operates, the company organisation and its evolution.

Moreover, at meetings held during the year under review, the Board of Directors was given constant and timely notification of measures to update the corporate processes and procedures and the development of the organisational structure of the Fiera Milano Group.

The Chairman is also the direct contact between the Board of Directors, the internal control bodies and the committees within the Board of Directors and ensures that the latter's activities are properly coordinated with those of the Board of Directors.

The Chairman, assisted by the Chief Executive Officer, ensures that the Board of Directors is promptly informed about the development and significant contents of the dialogue with Institutional Investors and, in particular, with Shareholders, in compliance with the principles contained in the Corporate Governance Code and based on the provisions of the 'Policy for managing dialogue with Institutional Investors and with Fiera Milano

Shareholders in general'. For relations with Shareholders, please refer in detail to Chapter 12 of this Report.

Finally, in compliance with the provisions of the Corporate Governance Code and pursuant to the Regulation of the Board of Directors, the self-assessment process of the Board of Directors is promoted and managed by the Chairman of the Board of Directors (with the support of the Appointments and Remuneration Committee).

#### - ***Secretary of the Board***

In compliance with the provisions of the Regulation of the Board of Directors and the Corporate Governance Code, the Board – on the proposal of the Chairman – has appointed the Secretary and the Deputy Secretary of the Board of Directors from among members of the Company's Legal and Corporate Affairs Department, possess adequate requirements of professionalism and experience in the legal and corporate field.

In particular, the position of Secretary was assigned to the Director of the Legal, Compliance and Corporate Affairs Department, while that of Deputy Secretary was assigned to the Head of the Corporate Secretariat, Governance and Compliance Department.

The Secretary provides support to the Chairman to ensure the timely delivery and adequacy of the documentation supplied ahead of the Board meetings and that confidentiality of the data and information given is maintained; in accordance with Article 15.4 of the Articles of Association, they write up the minutes of board meetings.

The Secretary also supports the Chairman in preparing the Board's self-assessment document, which explains the methodology and the individual steps of which the self-assessment process is composed, the actors involved, the results obtained, the corrective actions proposed by the Board members, the progress or degree of implementation of the corrective measures defined in the previous self-assessment.

During the course of the financial year, the Secretary supported the activities of the Chairman and provided, with impartial judgement, assistance and advice to the Board of Directors on any aspect relevant to the proper functioning of the corporate governance system.

## **4.6 Executive Directors**

#### - ***Chief Executive Officer***

Following his appointment by the Board of Directors on 15 December 2020, Mr Luca Palermo took over as CEO and General Manager from 1 January 2021.

Since that date, the Chief Executive Officer has been invested with all the powers necessary for the management and ordinary administration of the Company except for those that are reserved by law to the Board of Directors and those indicated in Article 17.1 and 17.2 of the Articles of Association and any other matters that remain the responsibility of the Board of Directors.

In particular, the Board of Directors' resolution mentioned above granted Mr Palermo the following powers:

1. To conclude, amend and terminate real estate lease agreements concluded for the performance of the Company's business for annual rents not exceeding Euro

- 2,000,000.00 (two million point zero zero) per individual transaction and for periods not exceeding six years, and real estate lease contracts concluded for the benefit of the Company's employees, included in the budget approved by the Board of Directors and for periods not exceeding four years.
2. To negotiate and carry out cash transactions in foreign currencies for a maximum amount of Euro 2,000,000.00 (two million point zero zero).
  3. To acquire, dispose of and negotiate derivative contracts (swaps, futures and options) on condition that such transactions may only be carried out to hedge interest rate, price, and exchange rate risks and to hedge against fluctuations in share prices or other financial instruments held by the Company, and always for a notional amount not exceeding Euro 2,000,000.00 (two million point zero zero) per transaction.
  4. To comply with legal requirements governing the circulation of shares and dividend distributions with the authority to sign declarations.
  5. To negotiate, sign, amend, withdraw, rescind or terminate contracts, agreements, letters of intent, memoranda of understanding, non-binding offers, and in general documents and/or non-binding acts of any kind having as their object the exploration and the opening of negotiations for the evaluation of M&A transactions of any kind, with no limit on the amount.
  6. To negotiate and finalise, under any form, loan agreements and financing, including discounting and factoring transactions, for single transaction amounts representing no more than 30% (thirty per cent) of the equity of the Company, as well as to request and accept credit facilities for a maximum amount not exceeding 30% (thirty per cent) of the equity of the Company.
  7. In the interests of the Company and/or in the interests of and/or for the benefit of directly or indirectly controlled companies or entities and for sums not exceeding Euro 5,000,000.00 (five million point zero zero): To request bank and/or insurance guarantees, letters of guarantee and, in general, reliance letters, to sign the relative agreements, furnish guarantees of all types, sign indemnities and/or warranties, endorsements, comfort letters, and finalise and sign financing transactions and/or bank guarantees.
  8. To request without limits bank and/or insurance guarantees, letters of guarantee and general reliance letters in compliance associated with a request for reimbursement of taxes and/or duties to the Company.
  9. To grant in the interests of and/or for the benefit of directly or indirectly controlled companies or entities, and for an amount not exceeding Euro 1,000,000.00 (one million point zero zero), non-refundable payments, for future capital increases and/or for any reason whatsoever should the company or entity need them.
  10. To negotiate, authorise and underwrite transactions for the temporary use of liquidity through the use of Fiera Milano's available financial resources within the limit of Euro 20,000,000.00 (twenty million point zero zero) in value of the individual investment.
  11. To represent the Company both in Italy and abroad in all matters and requirements relating to taxes, duties, and national insurance contributions and, for example, sign as the legal representative the annual tax returns, the VAT returns, the annual withholding tax forms; to sign, present and negotiate statements, appeals, claims and disputes with the Tax and Customs Authorities, the Tax Commissions of all levels, including the Central Tax Commission, and the Judicial Authority.
  12. To represent the Company, both actively and passively, in Italy and abroad, before judicial, civil and criminal authorities, administrative authorities in any area and level of jurisdiction also before courts of appeal and the high court, appointing and dismissing as necessary defence lawyers, solicitors, counsellors, consultants and

- expert witnesses and all with the power to table formal complaints on behalf of the Company; to submit disputes to formal or informal arbitration.
13. To negotiate and settle legal and out-of-court disputes, make out-of-court settlements for a maximum of Euro 1,000,000.00 (one million point zero zero) per dispute; including but not limited to disputes concerning the Company's receivables, tax disputes and labour disputes governed by Title IV of Book II of the Code of Civil Procedure, appointing and dismissing lawyers, defence counsel, consultants and experts for this purpose.
  14. For non-management category personnel and for management category personnel, the power to hire, promote, transfer, exercise disciplinary power and dismiss, determining their duties, placement, remuneration, both fixed and variable, and any ancillary and/or extra agreements to the employment contract, while respecting the employment policies under Article 17.2 letter (j) of the Articles of Association.
  15. To release certificates and returns for employee income, wage slips and any other matters concerning employees and social security and social and national insurance agencies and other public and/or private entities.
  16. To represent the Company, in Italy and abroad, carrying out all duties and transactions with any private or public Body and Administration, including Municipal, Provincial, Regional and State ones, and with social and welfare agencies, trade unions and organisations for employers and employees, law enforcement agencies, social security agencies, the Azienda Socio Sanitaria Territoriale (Local Health Authorities), Agenzia di Tutela della Salute (the Health Protection Agency, Istituti di Ricovero e Cura a Carattere Scientifico (Research/Teaching Hospitals), employment offices and mediation and arbitration organisations; to sign national, local and company trade union agreements.
  17. To represent the Company, in Italy and abroad, in matters under Legislative Decree 58 of 24 February 1998 and before Borsa Italiana S.p.A., the Commissione Nazionale per le Società e la Borsa (Consob) or other bodies that manage and/or govern regulated financial markets, the Ufficio Italiano dei Cambi, Monte Titoli S.p.A., the Italian Monopolies and Mergers Authority, the Italian Communications Regulator, the Bank of Italy, courts, Business Registers, Chambers of Commerce and Industry, government ministries and any other control and public bodies, associations, legal entities or individuals, shareholders and with the power to sign any declarations, documents and/or communications, statements, and certificates considered necessary and/or appropriate.
  18. To represent the Company at meetings of shareholders, associations, foundations, consortia and entities in which the Company has a shareholding.
  19. On behalf of the Company, to instigate any preventive or enforcement, seizure, and injunction measures, attachment orders and revoke these; to protest against bills of exchange; to issue a garnishee statement to the judicial authorities while adhering to the provisions of applicable law, with special reference to the provisions of Article 547 et seq. of the Civil Procedure Code.
  20. To intervene in bankruptcy proceedings, file creditor claims in those bankruptcy proceedings, sign agreements, demand partial or final distribution, intercede in arrangements with creditors and approve or reject them.
  21. To sign statements regarding regulatory status and compliance, consular invoices, import and export certificates and forms, and to carry out any required transactions with customs with the authorisation to make and collect any necessary deposits, sign application statements and forms.
  22. To sign reports regarding inspections of any kind by public officials with the power to instigate disputes, make declarations, express reservations and provide corrections and clarifications.



23. To issue instructions, organise, manage and control, with fully independent decision-making and spending powers, compliance as part of the Company's activities of all obligations envisaged in Regulation (EU) 2016/679 – the General Data Protection Regulation – and Italian regulations on personal data protection and related amendments, as well as adopt all measures necessary for this purpose, and to represent the Company as data processing controller with the right to sub-delegate all or part of the aforementioned powers and/or assign the duty of complying with such obligations to other internal parties (executives, employees) or external parties (consultants).
24. To assign and revoke responsibilities and general and/or special powers for specific acts or categories of acts within the limits of the powers assigned.
25. In accordance with Article 19 of the Articles of Association, to have signing authority and legal representation on behalf of the Company, either with third parties or in legal matters concerning Fiera Milano, for all matters delegated by the Board of Directors, preceding his name with the words 'Chief Executive Officer'.
26. And any other management or representation powers for the ordinary management of the Company but specifically excluding any related to the extraordinary management of the Company.
27. To implement the decisions taken by the Board of Directors, also through coordination of subordinate bodies, and ensuring their timely execution.
28. Regarding the payment of direct and indirect taxes and social security contributions resulting from the payment of such taxes and contributions in accordance with the law and the payment of dividends to shareholders by resolution of the Shareholders' Meeting, notwithstanding the above limits, the CEO may make the relevant payments without any limitation on the amount.

By the same resolution, Mr Palermo was also appointed:

- a. Director in charge of setting up and maintaining the internal control and risk management system pursuant to Article 6 of the Corporate Governance Code;
- b. with the express exclusion of any other party, Employer for preventive purposes pursuant to Art. 2, paragraph 1, lett. b) of Legislative Decree 81/08, for the Rho and Fieramilanocity sites and for any future locations that the Company will acquire, as well as in relation to any other place, including foreign ones, within which Fiera Milano carries out, even temporarily, its work, with the automatic exclusion of any sites that may be closed in the future, granting it all the managerial, decision-making and spending powers – none excluded and without the need for a detailed list – necessary for the implementation of the entire regulatory system in force on health, safety at work, occupational hygiene and accident prevention, contained, among other things, in Legislative Decree 81/2008, with the right to delegate powers and functions, except only those that cannot be delegated by the Employer, in compliance with the requirements, limits and conditions laid down by law;
- c. with the express exclusion of any other person, Head of Safety and Environmental Protection, for the Rho and Fieramilanocity sites, and for any future sites that the Company may acquire, as well as in relation to any other site, including foreign sites, in which Fiera Milano may carry out its work, even temporarily, with the automatic exclusion of any sites that may be closed in the future, granting it all the decision-making, managerial, executive and spending powers – none excluded and without the need for a detailed list – necessary to ensure compliance with all current, issued and to be issued environmental protection laws and regulations, as well as with all regulatory and implementing provisions and all provisions of the competent Authorities, also issued at local level, with the right to delegate powers and functions in compliance with the requirements, limits and conditions set by law'.

The Board of Directors also gave Mr Palermo specific responsibilities regarding his role as General Manager of Fiera Milano and required him to report to the Board of Directors on these responsibilities at least quarterly.

Specifically, as General Manager, Mr Palermo's responsibility is:

1. To conclude, amend and terminate consultancy and cooperative agreements, contracts for the use of intellectual property and professional services in general for an amount or commitment not exceeding Euro 1,000,000.00 (one million point zero zero) per transaction, without prejudice to the fact that the Board of Directors remains responsible for appointments, consultancies and services for over Euro 100,000.00 (one hundred thousand point zero zero) that are not within budget limits.
2. To assign mandates to banks, credit institutions, financial and trust companies to carry out equity services on behalf of the Company, negotiating the relative conditions and making the necessary payments.
3. To carry out banking transactions, including opening bank accounts, making deposit agreements, transferring cash and cash equivalents among banking institutions and using the current account and overdraft facilities within the credit limits previously requested and obtained by the Company.
4. To negotiate, enter into, amend, withdraw from or terminate contracts, business proposals, documents and/or deeds of any nature whatsoever concerning the sale and/or provision of consumer goods or services, with no limitation on amount.
5. Negotiate, conclude, amend, execute and terminate for any reason, title or cause whatsoever all contracts, documents and/or acts of any nature whatsoever concerning the purchase of individual goods or services necessary for the Company's business, which entail the Company's assumption of commitments within the economic limit of Euro 2,000,000.00 (two million point zero zero) for each individual transaction.
6. To conclude, amend and terminate insurance contracts covering all types of risks, lease and factoring contracts for sums not exceeding Euro 5,000,000.00 (five million point zero zero) for any single transaction.
7. To conclude, amend and terminate tender contracts of any kind, including services, works, and transport contracts, commission agreements, deposit contracts, agency and sale contracts, loan for use, hire, agency and carrier services agreements for sums not exceeding Euro 20,000,000.00 (twenty million point zero zero) for any transaction.
8. To represent the Company, in Italy and abroad, in tenders and, in general, any procedures for the award of contracts of any kind, from public or private entities and their agents and sub-agents, stipulating and signing contracts in the name of and on behalf of the Company, giving expressions of interest, applications, financial quotations or any other relevant statement or declaration defining prices, agreements and conditions, constituting and releasing security deposits, receipt of payments, issuing valid receipts and disclaimers to the cashiers, offices and officials in charge of payment and signing the relevant contracts.
9. To dispose of, destroy or scrap machinery, equipment, plant, vehicles and any other type of asset having completed any formalities required by the public registers for ownership and including the cancellation of mortgages.
10. To buy, sell, register, grant or conclude licences for the use of patents, trademarks, models, domains and/or websites, publications, copyrights and all intellectual property rights in general, provided they are inherent to the corporate purpose.
11. To oversee the organisation of work, define the Company's organisation chart and ensure that all company functions act in coordination with each other, defining each function's tasks and responsibilities, setting objectives, and measuring their achievement.

12. To adopt all necessary measures to ensure the regular operation of the Company.
13. To make available and/or authorise the payment of the salaries and contributions of Fiera Milano employees, referred to each month, and taking any action to ensure the above and carrying out and/or subscribing to any means useful or necessary to compile the forms for the payment of costs related to the monthly wages (i.e. national insurance contributions and statutory deductions) and the payment of these costs.
14. To coordinate and optimise all Company operations and projects to enhance their efficiency and ensure they work towards the aims of the Company.
15. To ensure strict compliance with laws, internal regulations and instructions.
16. With the power to assign special powers of attorney for certain acts or categories of acts, within the limits of the powers received.

The Chief Executive Officer reports – as reported during the 2021 financial year – to the Board of Directors, at least quarterly and whenever the Board meets, on his activities, the operating performance and business outlook, as well as the main economic, financial and equity transactions or those of most significant size and nature carried out by the Company and its subsidiaries.

For completeness, please note that with effect from the same date of 1 January 2021, all operating powers conferred provisionally – to ensure continuity and stability of management – on the Chairman, Carlo Bonomi, were also revoked following the resignation, in June 2020, of the then-Chief Executive Officer, Fabrizio Curci.

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

##### ***- Independent Directors***

The Board of Directors is composed of seven independent directors pursuant to the Consolidated Finance Act and the Corporate Governance Code, out of a total number of nine (concerning the independence requirements of each member of the Board of Directors, please refer to the matters indicated above and see Table 1 attached to this Report).

During 2021, the Independent Directors actively contributed to corporate decisions adopted. In this respect, – as detailed below – at 31 December 2021 both the Appointments and Remuneration Committee and the Control and Risk and Sustainability Committee are composed entirely of Independent Directors.

The Directors' independence is verified annually on the basis of criteria established in the Corporate Governance Code and other regulatory measures in force.

At the time of the self-appraisal, each Director provided self-certification to confirm they met the requirements of independence in accordance with provisions of the Corporate Governance Code.

In December 2020, the Board of Directors of Fiera Milano, taking into account the criteria identified by the Corporate Governance Code, defined the quantitative criteria to be used to assess the significance of existing relationships for the assessment of the fulfilment of the independence requirement.

In particular, the Board of Directors decided to use, in determining the materiality threshold of the 'significant commercial relationship' and 'significant additional

remuneration' referred to in Recommendation 7 letters c) and d)<sup>5</sup> the criteria already adopted by the Company in the Procedure for Related Party Transactions, which qualifies commercial relationships with individuals within the threshold of Euro 50,000.00 as Small Amounts.

At the Board meeting of 25 February 2022, the assessment of the independence of the directors for the financial year 2021 was submitted to the Board of Statutory Auditors, which verified the correct application of the criteria adopted.

- **Lead Independent Director**

Pursuant to the provisions of the Corporate Governance Code, companies are required to appoint a *Lead Independent Director* only in the following cases: (i) if the chairman of the board is the *Chief Executive Officer* or holds significant management powers; (ii) if the office of Chairman is held by the person who controls, even jointly, the company; (iii) in large companies, even in the absence of the conditions set out in points (i) and (ii), if a majority of the independent directors so request. For this reason, since there is no obligation for Fiera Milano to do so, the Board of Directors decided not to make the appointment.

## 5. Management of corporate information

The Company has adopted a 'Procedure for the internal management and external disclosure of inside information and register maintenance (hereinafter, the '**Procedure**'), as well as the related 'Implementing measures of the procedure for the internal management and external disclosure of inside information and register maintenance' (hereinafter, the '**Implementing Measures**').

The Procedure contains specific sections covering the definition of relevant and inside information, the related management procedures, ways of managing so-called market rumours, governs instances of delays in disclosure to the market, the approval process for press releases, persons authorised to maintain external relations and persons obliged to maintain confidentiality.

The Procedure also regulates the keeping and updating of the so-called 'Relevant Information List - RIL' and the 'Insider List'), which identifies the responsibilities and procedures for maintaining and updating the Insider List. The procedure identifies the individual responsible for managing the List, an info room committee and the individuals that can be registered in it; it also governs the procedures for initial inclusion and subsequent updating as well as aspects regarding confidentiality obligations, as well as how these are managed in the event that the procedure for delayed communication of inside information is activated.

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<sup>5</sup> Recommendation 7 of the Corporate Governance Code:

*c) if, directly or indirectly (e.g. through subsidiaries or companies of which they are an executive director, or as a partner in a professional firm or consulting company), they have, or have had in the preceding three financial years, a significant commercial, financial or professional relationship: (i) with the company or its subsidiaries, or its executive directors or top management; (ii) with a party who, together with others through a shareholders' agreement, controls the company; or, if the parent company is a company or entity, with its executive directors or top management;*

*d) if they receive, or have received in the previous three financial years, from the company, one of its subsidiaries or the parent company, significant remuneration additional to the fixed remuneration for the office and to that provided for participation in the committees recommended by the Code or provided for by the regulations in force.*

The Procedure is available on the Company website, [www.fieramilano.it](http://www.fieramilano.it), in the section *Investors/Governance/Inside Information Procedure*.

## **6. Committees of the Board of Directors (Article 123-bis, paragraph 2.d), Consolidated Finance Act)**

The Board of Directors, in compliance with the provisions of the Corporate Governance Code has set up internal committees to assist the Board in carrying out its role.

Specifically, the Board of Directors has set up the Control, Risk and Sustainability Committee and the Appointments and Remuneration Committee; their roles in offering advice and/or making recommendations are in line with the standard required by the Corporate Governance Code and corporate governance best practices.

As of 31 December 2021, both Committees of the Board of Directors are entirely made up of non-executive and independent directors.

In particular, as regards the Appointments and Remuneration Committee, the Company decided to continue grouping together the activities relating to remuneration and appointments under a single committee, in view of the fact that, also due to the limited size of the Company and the high degree of ownership concentration at 31 December 2021, the approach was confirmed capable of achieving the objectives established by the Corporate Governance Code.

Similarly, the company decided to include among the Control, Risk and Sustainability Committee's typical tasks the verification of issues relevant to the generation of long-term value and the sustainable success of the company, changing the name of this committee to the Control, Risk and Sustainability Committee.

The Control, Risk and Sustainability Committee, as a body composed exclusively of non-executive and independent directors, is also responsible for expressing a reasoned opinion on the Company's interest and the substantial correctness of the related conditions regarding the performance of Related Party Transactions.

Regarding the procedural safeguards adopted by the Company for Related Party Transactions, please refer to Section 10 of this Report.

The operation of the Committees is governed by specific regulations adopted by resolution of the Board of Directors. The Committees report periodically to the Board on the performance of their activities.

## **7. Self-assessment and succession of directors - Appointments and Remuneration Committee**

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

#### ***- Self-appraisal by the Board of Directors.***

In compliance with the provisions of the Corporate Governance Code, the Regulation of the Board of Directors establish that at least every three years, ahead of its renewal, it assess the adequacy of the size, composition and actual functioning of the Board and the Committees established, possibly providing information of any professional qualities it deems should be present on the Board.

The Board of Directors is assisted by the Appointments and Remuneration Committee in this activity.

The appraisal of the fulfilment of the independence and professionalism requirements of the members of the management body is carried out in accordance with the Regulation of the Board of Directors.

The self-appraisal Process is carried out by the Board of Directors, supported in its activities by the Appointments and Remuneration Committee, which is supported, in turn, by the Company Secretariat.

In its meeting of 14 December 2021, the Board of Directors resolved to start the self-assessment process of the Board of Directors and Internal Committees for the financial year 2021, with the sole support of the Company Secretariat.

The self-appraisal involves the following steps:

- gathering of qualitative information on the directors, including updates on their independence, professionalism requirements, positions held and any related party relationships;
- gathering information on attendance, meeting duration and matters discussed;
- the use of anonymous questionnaires to ascertain the opinion of the directors regarding the assessment parameters for the composition and *modus operandi* of the Board itself and the internal committees of the Board;
- assessment of the qualitative information obtained regarding compliance with the law, best governance practices and the Regulation of the Board of Directors regarding board member profiles;
- final assessment of information deriving from the self-appraisal questionnaires;
- formalisation of the results in the relevant document indicating the methodology used and the results obtained.

as part of the self-appraisal carried out concerning the financial year ended 31 December 2021, the documentation and questionnaires examined revealed the following:

- all members confirmed:
  - o the absence of causes of ineligibility and incompatibility, pursuant to current laws and regulations and the Articles of Association of Fiera Milano;
  - o they meet the requirements of good repute for holding the office;
- all members meet the requirements under Article 2382 of the Italian Civil Code;
- the Board of Directors is composed of seven independent directors out of a total of nine, pursuant to both Article 2, section 7, of the Corporate Governance Code<sup>6</sup> (which requires the presence of a 'significant' component of independent directors within the Board of Directors) and Article 148, paragraph 3 of the Consolidated Finance Act;
- the Board of Directors guarantees the diversity of its members. In particular:
  - o gender diversity is well represented on the Board, with two-fifths of the directors being male, i.e. the least represented gender;
  - o generational diversity is well represented on the Board, as members are from different age groups and professional backgrounds;
  - o the diversity of professional backgrounds is well represented on the Board, which consists of specialised professionals working in different sectors;

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<sup>6</sup>Please note that in its resolution of 15 December 2020, the Board of Directors of Fiera Milano, in resolving to adopt the Corporate Governance Code, also quantified the '*significant business relationship*' and '*significant additional remuneration*' as Euro 50,000.00 per year for the assessment of the independence requirements of directors and statutory auditors referred to in points c) and d) of Article 2, recommendation 7 of the Corporate Governance Code.

- each Director has good knowledge of and experience in at least two of the competency areas indicated;

overall, in relation to the number Board Directors, the Board has a high level of competency in each area appraised

- the size of the Board is adequate for it to carry out its functions;
- the composition of the Board is balanced in terms of the diversity, expertise and professionalism of its members;
- the functioning of the Board is generally adequate for the operating requirements of Fiera Milano; specifically:
  - o the Board has effectively exercised its powers to define the general planning and strategic policies of the Company and the Group;
  - o the Board operates effectively to monitor, promote and encourage compliance with relevant rules and regulations;
  - o the Board's controls on Fiera Milano's obligations are adequate;
  - o Board discussions are thorough and participated in by the Members through a process that contributes to reaching properly agreed decisions;
  - o Members are prepared for the Board's discussions and spend the necessary time examining the documentation relating to the items on the agenda;
  - o the frequency and duration of Board meetings are adequate for the items on the agenda;
  - o the way in which meetings were held using telecommunications – although compelled by the circumstances at the time – enabled participants to follow and intervene in the discussion in real time;
  - o Board activities are generally given a positive assessment;
- the pre-meeting information is adequate;
- information flows between the Board and other company boards are adequate.

- ***Succession of directors.***

However, regarding the procedure for the appointment and succession of directors, the following should be noted.

The Regulation of the Board of Directors stipulates that before each renewal, the Board of Directors expresses an opinion on its optimal quantitative and qualitative composition, taking into account the results of the self-appraisal.

At the recent renewal of the management body, which took place at the Shareholders' Meeting of 20 April 2020, the outgoing Board of Directors expressed its views on the optimal quantitative and qualitative composition, making available to shareholders the 'Guidelines on the composition of the new Board of Directors of Fiera Milano for the three years 2020-2022'.

In March 2019, the Company also adopted a procedure for the succession plan for executive directors with the aim to ensure their prompt replacement in the event of termination from their office different from the natural termination of the mandate, in order to guarantee an orderly succession in the top management positions through a rapid replacement of the discontinued executive directors, thus ensuring the continuity and stability of the management.

In accordance with the provisions of the Corporate Governance Code and related regulations, the Appointments and Remuneration Committee supports the Board of Directors in preparing, approving, managing and implementing the Succession Plan for the CEO and other executive directors.

## 7.2 Appointments and Remuneration Committee

An Appointments and Remuneration Committee was set up within the Board of Directors. The Appointments and Remuneration Committee, in accordance with its Regulation and the Company's Articles of Association, comprises at least three Non-executive Directors, the majority of whom are Independent Directors. At least one member of the Committee has adequate knowledge and experience of financial matters or remuneration policies. This is assessed at the time of their appointment.

The Appointments and Remuneration Committee is composed of non-executive and independent directors: Elena Vasco, acting as Chairman, Alberto Baldan and Marina Natale. Members of the Committee have the necessary experience to carry out their assigned duties with respect both to appointments and remuneration and receive remuneration for their work.

All the information on the composition, role and functioning of the Appointments and Remuneration Committee appears in more detail in the Remuneration Report prepared in accordance with Article 123-ter of the Consolidated Finance Act.

The Committee assists the Board of Directors in preparatory work, advises and makes recommendations on appointments and remuneration matters.

In particular, pursuant to the Regulation of the Appointments and Remuneration Committee, the Committee has the following functions in relation to appointments:

- the Committee puts the names of possible candidates for Director to the Board, should one or more Directors be unable to carry out their duties in the course of the financial year (Article 2386, paragraph 1, Italian Civil Code) ensuring that the requirements for both a minimum number of Independent Directors and gender balance are met;
- it supports the Board of Directors in the preparation, approval, management and implementation of the Succession Plan for the CEO and other executive directors;
- supports the Board of Directors in the self-appraisal process of the Board of Directors and its committees;
- it supports the Board of Directors in the process designed to express, ahead of the renewal of the Board of Directors, an opinion on the optimal quantitative and qualitative composition of the Board of Directors and its committees, also taking into account the results of the self-assessment process.

During the year ended 31 December 2021, the Committee held seven duly minuted meetings and carried out its responsibility to table proposals to the Board of Directors. The average duration of the meetings of this Committee was approximately 1 and a half hours. At the date of approval of this Report, two meetings had been held in the current financial year.

At least one statutory auditor and the Human Resources Director of Fiera Milano attend the Committee meetings.

During the 2021 financial year, at least one auditor always attended the Committee meetings.

In compliance with the provisions of the Corporate Governance Code, the Chairman of the Committee shall inform the Board of Directors, at the earliest opportunity, on the issues discussed at previous meetings, without prejudice to the half-yearly written report that must be submitted to the management body.



During the financial year under review, the work of the Appointments and Remuneration Committee concerned:

- for appointments:
  - consideration of the candidacy of Mario Franci for the position of Chief Revenue Officer and Executive with Strategic Responsibilities of Fiera Milano;
  - consideration of the candidacy of Andrea Maldi for the position of Chief Financial Officer and Manager with Strategic Responsibilities of Fiera Milano;
  - new start of the process under the succession plan.

The Committee, also (i) conducted – in relation to the 2020 financial year – the self-appraisal to verify the adequacy of its composition and operating rules; (ii) presented, through the Chairman, detailed reports on the activities carried out at each meeting of the Board of Directors and approved the annual report referring to the year 2020 and the half-yearly report referring to the year 2021; (iii) provided support to the Board of Directors in defining the procedures for the self-assessment process of the Board and the Board Committees for 2021.

## **8. Remuneration of Directors - Appointments and Remuneration Committee**

### **8.1 Remuneration of Directors**

The variable part of the remuneration of the Chief Executive Officer and the Executive with Strategic Responsibilities is linked to achievement of the specific performance targets, indicated in advance and determined in accordance with the Remuneration Policy approved by the Board of Directors. For details, reference should be made to the Report on the Remuneration Policy and Remuneration Paid published in accordance with Article 123-*ter* of the Consolidated Finance Act for:

- remuneration policy (see Section I, Letter b, of the Report on the Remuneration Policy and Remuneration Paid prepared in accordance with Article 123-*ter* of the Consolidated Finance Act);
- the remuneration of Executive and Non-executive Directors (see Section II, Paragraph I, of the Report on the Remuneration Policy and Remuneration Paid prepared in accordance with Article 123-*ter* of the Consolidated Finance Act);
- the remuneration of top management (see Section II, Paragraph II, of the Report on the Remuneration Policy and Remuneration Paid prepared in accordance with Article 123-*ter* of the Consolidated Finance Act);
- share-based remuneration plans (see Section I, Letter e, of the Report on the Remuneration Policy and Remuneration Paid prepared in accordance with Article 123-*ter* of the Consolidated Finance Act);
- accrual and payment of remuneration (see Section I, Letter e, of the Report on the Remuneration Policy and Remuneration Paid prepared in accordance with Article 123-*ter* of the Consolidated Finance Act);
- the indemnity payable to the Chief Executive Officer in the event of resignation, dismissal or termination of contract (see Section II, Paragraph I, of the Report on the Remuneration Policy and Remuneration Paid prepared in accordance with Article 123-*ter* of the Consolidated Finance Act).

## 8.2 Appointments and Remuneration Committee

Regarding the composition and functioning of the Appointments and Remuneration Committee, please refer to paragraph 7.2 of this report.

Regarding the investigative, recommendation and advisory functions carried out in support of the Board of Directors, pursuant to the Regulation of the Appointments and Remuneration Committee, the Committee has the following functions concerning remuneration:

- assists the Board of Directors in drawing up the remuneration policy, for its presentation to the Shareholders' Meeting called to approve the financial statements as required by law;
- submits proposals and expresses opinions on the remuneration of executive directors, directors holding special offices and top management<sup>7</sup>, regarding the various forms of remuneration and economic treatment;
- it assists the Board of Directors in drawing up share-based remuneration plans for executive directors, directors holding special offices and top management;
- it presents proposals and expresses opinions on the setting of performance targets (MBO, LTI Plans and/or stock option plans, if any) connected to the determination of the variable remuneration of executive directors, directors holding special offices and top management;
- it proposes the definition, in relation to executive directors and directors holding special offices, of end-of-office indemnities for Directors, as well as non-competition agreements;
- it monitors the practical implementation of the Remuneration Policy, in particular, verifying the actual achievement of performance targets;
- it periodically assesses the adequacy and overall consistency of the Remuneration Policy for executive directors, directors holding special offices and top management;
- informs the shareholders' meeting about procedures for exercising its functions in reports to be presented in compliance with applicable law.

During the financial year under review, the work of the Appointments and Remuneration Committee concerned:

- for remuneration:
  - review of the Remuneration Report pursuant to Article 123-ter of the Consolidated Finance Act and in particular the remuneration policy to be presented for approval to the Board of Directors and the Shareholders' Meeting convened to approve the financial statements for the year;
  - review of the short-term incentive plan (MBO) for the Chief Executive Officer and for Top Management with strategic responsibilities for 2021;
  - assessment of the new LTI 2021-2022 plan to be submitted to the Board of Directors for approval, for presentation to the Shareholders' Meeting called to approve the annual financial statements, within the terms provided for by law;
  - assessment of the regulations underlying the 2021-2022 LTI plan approved by the Shareholders' Meeting in April 2021;

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<sup>7</sup> Top management means senior managers who are not members of the Board of Directors and who have the power and responsibility for planning, directing and controlling the activities of the company and its group; it being understood that the Committee shall refer, for identification from time to time of the same, to the top management identified in the Remuneration Report drawn up pursuant to Article 123-ter of the Consolidated Finance Act.

- assessment of the remuneration package of the new Chief Revenue Officer and the new Chief Financial Officer;
- assessment of the proposed revision of the 2021-2022 LTI plan to be submitted to the approval of the Board of Directors for presentation to the Shareholders' Meeting called in October 2021;
- examination of the proposal to update the objectives of the Short Term Incentive Plan (MBO) for the Chief Executive Officer and Top Management with strategic responsibilities for the year 2021.

## **9. Internal Control and Risk Management System - Audit, Risk and Sustainability Committee**

The internal control and risk management system of the Company and the Group is made up of a set of rules, procedures and organisational structures designed to identify, measure, manage and monitor the main risks. It contributes to the conduct of the company and the Group, consistent with the strategy established by the Board of Directors of the Parent, and encourages the adoption of informed decisions. It assists in ensuring: (i) the protection of equity, (ii) efficient and effective corporate procedures, (iii) reliability of financial reporting to corporate bodies and the market, and (iv) compliance with applicable laws and regulations, the Articles of Association, and internal procedures.

The Fiera Milano Group has for some time carried out a periodic analysis of the risks at Group level using internationally recognised standards of Enterprise Risk Management (ERM).

The main aim is to have a systematic and proactive approach to the main risks to which the Group – and each of its Companies – is exposed in carrying out its business and pursuing its established objectives, to assess in advance the potential negative effects, implement appropriate actions to mitigate such effects, and to monitor over time any relative exposure.

In order to achieve this, Fiera Milano has compiled a catalogue of Group risks and uses a risk mapping and risk scoring methodology. Specifically, the Group consolidated process entails periodic:

- i. updating of the risk catalogue according to the strategies implemented and the management and business model used;
- ii. assessment of the risks by the management of Fiera Milano and its subsidiaries;
- iii. consolidation of information and prioritisation of the risks and the consequent areas of action;
- iv. tolerance analysis of any exposure identified and formulation of the appropriate management strategies/actions and the identification of the persons responsible for implementing such actions.

The organisational and procedural supervision of the ERM process is guaranteed by the Risk Management Department, responsible for the correct functioning of the entire company risk management process, and that operates based on the ERM Policy, governing the roles and responsibilities for identifying, measuring, managing, monitoring and reporting corporate risks in the Fiera Milano Group.

The Control, Risk and Sustainability Committee and the Board of Statutory Auditors are periodically informed of the process results.

With reference to the 2021 financial year, the Board of Directors – with the support of the Control, Risk and Sustainability Committee – in accordance with its role and functions

and prerogatives, has not identified any critical issues and has positively assessed the adequacy of the internal control and risk management system adopted by Fiera Milano.

- ***Risk management and internal control system for financial reporting***

The aforementioned integrated risk management model cannot be considered separately from the internal control system used for the financial reporting process, as both are elements of the overall internal control and risk management system of the Fiera Milano Group. The process for preparing the annual and interim financial statements and, in particular, the procedures to describe the principal risks and uncertainties to which Fiera Milano and the Group are exposed, are strictly linked and coordinated to the information flows deriving from the Enterprise Risk Management (ERM) processes of the Company and of the Group, which aim to identify, assess and mitigate any corporate risks.

In recent financial years, Fiera Milano has modified its internal control system for financial reporting in keeping with the provisions of Law 262/05 so as to document, where necessary, the administrative and accounting control model adopted and to schedule and implement periodic checks on the operational efficacy of the controls that are behind the certification process of the Financial Reporting Officer.

The aforementioned administrative and accounting control model combines the internal procedures and methods used by the Company to attain company objectives of integrity, accuracy, reliability and timeliness of financial reporting. The approach of Fiera Milano in formulating, implementing and continually updating the aforementioned administrative and accounting control model follows a development process in line with generally accepted best practices, with the guidelines for the duties of the Financial Reporting Officer under Article 154-*bis* of the Consolidated Finance Act issued by Confindustria, and with the control elements identified in the Internal Control - Integrated Framework issued by the Committee of Sponsoring Organizations of the Treadway Commission.

This reference model, based on the components of the internal control system (Control environment, Risk assessment, Control activities, Information & Communications, and Monitoring) necessary to attain the aforementioned financial reporting objectives favours, inter alia, the identification of coordination opportunities and the development of synergies among, for example, Enterprise Risk Management activities, activities undertaken to comply with Legislative Decree 231/2001 and the activities of the Internal Control Department.

The internal control system phases relating to the financial reporting system of Fiera Milano can be divided into the following macro-categories:

- identification of processes, risks and controls;
- definition and updating of administrative and accounting procedures;
- monitoring the administrative and accounting procedures.

As part of the responsibilities and powers given him/her by the Board of Directors, the Financial Reporting Officer must effectively implement any actions falling into the above categories.

The main activities referred to in the adopted model, and included in the macro-categories listed above, are summarised below.

- ***Identification of processes, risks and controls***

This category includes all activities concerned with identifying or updating the extent of analysis and monitoring carried out, the identification and assessment of risks, the mapping of administrative and accounting processes and therefore the formulation and assessment of controls to mitigate such risks.

At least once a year, the Financial Reporting Officer decides the areas of the Company and Group processes that will be subject to risk analysis and to monitoring of the controls existing in the administrative and accounting control model. This is done using both quantitative and qualitative parameters to ensure that the most significant areas and/or those that pose the greatest risk of failing to meet the objectives of the financial reporting controls are included in the aforementioned areas.

Therefore, defining the areas to be analysed and monitored necessitates identification of the relevant accounts, disclosures and associated procedures so that the subsequent identification and assessment of controls, both at entity level and at procedure and transaction level, can effectively mitigate the risks inherent in the financial reporting preparation process.

With regard to identifying and assessing risk in financial reporting, the approach adopted considers both the risk of unintentional errors and those that may be caused by fraudulent activity, providing for the formulation and monitoring of checks and controls that address these types of risk, as well as coordinating the controls implemented with others in the overall internal control system.

To support the assessment of inherent risk levels, the reference criteria used are based on the following main potential risk indicators, generally recognised by reference best practices: changes in information systems, processes and procedures and other complex elements, for example, the complexity of information processing required by a certain procedure, a high level of transactions, or, for example, in processes that employ a considerable amount of estimates and valuations, the adequacy of the documentation and the reliability of the assumptions made.

When significant risks in financial reporting are identified, the administrative and accounting control model provides for the appropriate identification of controls to mitigate these risks. Specifically, the approach adopted takes adequate account of both manual controls and the data system controls in the administrative and accounting procedures, the so-called automatic system controls application, the general IT controls that govern access to systems, control of developments and amendments to the application systems, and the adequacy of the IT structures.

The administrative and accounting model, in line with reference best practices, ensures that the surveillance procedures for the processes, risks and controls is updated for significant changes in the Group administrative and accounting procedures whenever necessary.

- ***Definition and updating of administrative and accounting procedures***

Based on the results of activities to identify the processes, risks and controls, the Financial Reporting Officer defines or updates the administrative and accounting procedures and guarantees their adequacy as regards the internal control system and monitors the various phases of the process for defining or updating the procedures.

In particular, the administrative and accounting procedures are updated in conjunction with an assessment of the form and design of the controls and the continuous monitoring of their implementation.

- ***Monitoring the administrative and accounting procedures***

The Financial Reporting Officer constantly monitors the administrative and accounting procedures, with particular reference to those concerning the preparation of the financial statements, the consolidated financial statements and the condensed six-month interim financial statements, as well as any action or communication of a financial nature that requires statements, attestations and declarations under paragraphs 2 and 5 of Article 154-bis of the Consolidated Finance Act, so as to ensure the adequacy and effective implementation of these procedures.

To achieve this, specific audit activities are planned to ascertain correct implementation of the controls incorporated in the administrative and accounting procedures. The control, analysis and audit activities for the administrative and accounting procedures are based on defining a test strategy that determines the *modus operandi*, the controls and ways of monitoring the procedural systems implemented.

Control testing activity is planned in such a way as to give priority to checks of identified 'key' controls, and to balance objectives of efficiency with the requirement of achieving adequate coverage of control activities, introducing rotational tests for significant processes and sub-processes in relation to subsequent financial reporting dates.

Since 2017, as part of the continuous development of the administrative and accounting control model, given the organisational development of the Company, without affecting the role and responsibilities of the Financial Reporting Officer regarding declarations under Article 154-*bis* of the Consolidated Finance Act, the responsibility of carrying out the key control tests of the administrative and accounting processes has been given to the Internal Control Department of the Company.

On the basis of the information received from the Financial Reporting Officer, the Head of Internal Audit, with the support of their department, identifies the timing and operating means for carrying out the tests on the key controls identified by the Financial Reporting Officer.

Following the tests, the Internal Control Department advises the Financial Reporting Officer of the outcome of tests carried out on each key control and indicates any shortcomings and/or areas of improvement arising therefrom.

With regard to the organisational aspects and to the roles involved in the various phases of formulating, implementing, monitoring and updating the administrative and accounting control model over time, it should be noted that specific information flows have been defined between the Manager responsible for preparing the Company accounts and the corporate, administrative and control committees and the corporate executives and/or areas that, outside the Department of Administration, Finance and Tax, are involved in compiling, preparing and circulating the annual financial statements, the consolidated financial statements, the condensed six-month interim financial statements, the interim report on operations and, more in general, any information subject to attestation/declaration by the Manager responsible for preparing the Company accounts. The accounting and administrative control model also covers specific information flows among Group companies and internal statements/declarations.

In preparing the annual and interim financial statements and describing the principal risks and uncertainties to which Fiera Milano and the Group are exposed, the Financial Reporting Officer works with employees involved in the Enterprise Risk Management processes of the Company and of the Group in order to identify and assess all corporate risks.

- ***Governance of subsidiaries with registered offices in countries outside the EU***

In accordance with the provisions of Article 15, as referred to in Article 18, paragraph 1 of the Regulation on Markets adopted by Resolution 20249 of 28 December 2017, the Company and its subsidiaries have administrative and accounting systems which allow public disclosure of the accounting positions used to prepare the consolidated financial statements of companies to which this law is applicable, and which permit the regular

communication of data to the management of the Parent and its independent auditors as required to prepare the Consolidated Financial Statements.

Therefore, the conditions exist under the aforementioned Article 15, letters a), b) and c) of the Consob Regulation on Markets.

### **9.1 Chief Executive Officer**

The Board of Directors is responsible for internal control and risk management and, with the assistance of the Control, Risk and Sustainability Committee, for establishing its guidelines and periodically verifying that it is fit for purpose and is functioning effectively, ensuring that the principal corporate risks are identified and managed in an appropriate manner.

On 15 December 2020, the Board of Directors appointed the Chief Executive Officer, Luca Palermo, as the Director in charge of establishing and maintaining the internal control and risk management system pursuant to Article 6 of the Corporate Governance Code, with effect from 1 January 2021.

With the support of the relevant company departments, the Chief Executive Officer implements the guidelines defined by the Board of Directors. He takes care of the design, implementation and management of the internal control and risk management system, constantly checking its adequacy and effectiveness. He also takes care of its adaptation to the dynamics of the operating conditions and the legislative and regulatory framework. In addition, with the support of the Risk Manager, on a half-yearly basis, he presents to the Board of Directors the results of the risk assessment work performed and illustrates the updated mapping of the Group's risks.

During the 2021 financial year, the disclosure of key risk factors as at 31 December 2020 and the disclosure of key risk factors as at 30 June 2021 were presented to the Board of Directors.

### **9.2 Control, Risk and Sustainability Committee**

A Control, Risk and Sustainability Committee has been established within the Board of Directors,

The Appointments and Remuneration Committee, in accordance with its Regulation and the Company's Articles of Association, comprises at least three Non-executive and independent directors. At least one member of the Committee must also have appropriate experience in accounting and finance and the Board of Directors must ascertain this at the time of appointment.

The Board of Directors appoints one of the independent members of the Committee as Chairman to coordinate the work of the Committee.

The Control, Risk and Sustainability Committee is currently composed of non-executive and independent directors: Stefania Chiaruttini, acting as Chairman, Francesca Golfetto and Angelo Meregalli. Committee members have the necessary skills and experience to perform the tasks assigned to them and are remunerated for their work.

The Committee has an advisory role, makes proposals and carries out preliminary research to aid the Board of Directors in its decisions and assessments of the internal control and risk management system, as well as relating to approval of interim financial reports and the disclosure of a non-financial statement (hereinafter '**NFI**' – Disclosure of Non-Financial Information).

The Committee meets periodically with a frequency suited to correctly carrying out its duties. In any event it meets to approve the annual financial statements, the six-month interim financial statements and the Disclosure of Non-Financial Information.

In particular, in compliance with the principles in the Corporate Governance Code, the Board of Directors has given the Committee the duty of assisting it, carrying out adequate preliminary activities and providing advice, in assessments and decisions relative to the Internal control and risk management system, and in decisions on the approval of financial reporting and the NFI.

According to the Committee's Regulation, it has the following functions:

- after consulting the Financial Reporting Officer, the Independent Auditors and the Board of Statutory Auditors, to assess the correct adoption of accounting standards, as well as their consistent application across the Group for the purpose of preparing the consolidated financial statements;
- to assess the suitability of periodic financial and non-financial information to correctly represent not only the company's management, but also its business model and strategies;
- to examine the content of periodic information of a non-financial nature relevant to the internal control and risk management system, including supervision of the dynamics of interaction with stakeholders relevant to the areas of sustainability pursuant to Legislative Decree 254/2016;
- to express specific opinions on aspects regarding the identification of main corporate risks;
- to assess the measures adopted or to be adopted by the Company to ensure the effectiveness and impartiality of judgement of the company's risk management and compliance functions, verifying that those functions have adequate professionalism and resources;
- to monitor the autonomy, adequacy, effectiveness and efficiency of the Internal Control Department of Fiera Milano and supervising activities, to ensure that conditions of independence and objectivity, competence and professional diligence are met, in compliance with the Code of Ethics of Fiera Milano and international standards. Specifically, the Committee
  - reviews the periodic assessment reports of the Internal Control Department containing information on activities carried out, the assessment of the internal control and risk management system, and any other important evaluations;
  - requests the Internal Control Department to carry out audits/controls, where deemed appropriate, for specific areas of operations, and, at the same time, notifies the Chairman of the Board of Statutory Auditors;
  - reviews information received from the Internal Control Director and promptly informs the Board of Directors of its own evaluations, in the case of: i) serious deficiencies in the system to prevent irregularities and fraudulent acts or irregularities or fraudulent acts committed by employees that hold key positions in the internal control and risk management system; ii) circumstances that may harm the independence of the Internal Control Department;
- after preliminary research, supports the assessments and decisions of the Board of Directors on matters concerning the risk management of prejudicial events that have come to the attention of the Board of Directors;
- supports the Board of Directors in defining the guidelines of the internal control and risk management system in line with the company's strategies;
- advises on the activities of departments in the case of judicial investigations in Italy and/or abroad, for which the Chief Executive Officer and/or Chairman of the Company and/or a Board Director and/or an officer reporting directly to the Chief Executive Officer, also if no longer in office, have received information of their being



investigated regarding the predicate crimes in Legislative Decree 231/2001, referable to the relative mandate and area of responsibility;

- carries out all further duties assigned by the Board of Directors.

The Committee gives a preliminary opinion to the Board of Directors on the following matters:

- the description, contained in the corporate governance report, of the main features of the internal control and risk management system and the methods of coordination between the parties involved in it, expressing its overall assessment of the adequacy of the system itself and giving an account of the choices made regarding the composition of the supervisory body appointed pursuant to Legislative Decree 231/2001;
- the interests of the Company regarding minor or significant related-party transactions, and the substantial fairness of conditions, pursuant to company procedures in force adopted in accordance with Consob Regulation 17221/10 and related organisational implementing rules;
- the proposed appointment or removal of the Internal Control Director, ensuring that they have the necessary resources to carry out their role, and whether their remuneration is consistent with Company policy, assisted in this matter by the Appointments and Remuneration Committee;
- the adoption and subsequent updating of Guidelines for the Financial Reporting Officer;
- annual approval of the audit plan prepared by the Internal Control Director.

During the year ended 31 December 2021, the Control, Risk and Sustainability Committee held 13 duly minuted meetings. The average duration of the meetings of this Committee was approximately two and a half hours. At the date of the approval of this Report, two meetings had been held in the current financial year.

At least one statutory auditor and the Internal Control Director of Fiera Milano attend the Committee meetings.

During the 2021 financial year, at least one auditor always attended the Committee meetings.

If considered appropriate, the Committee may invite Directors and executives of Fiera Milano or of Group companies to attend its meetings so that they may give their opinion on specific matters; it may also invite other persons who may be able to assist in the business of the Committee.

The Control, Risk and Sustainability Committee has access to all the information and Company departments required to carry out its duties and may also be assisted by external consultants.

In compliance with the provisions of the Corporate Governance Code, the Chairman of the Committee shall inform the Board of Directors, at the earliest opportunity, on the issues discussed at previous meetings, without prejudice to the half-yearly written report that must be submitted to the management body.

During the financial year, the Risk and Sustainability Control Committee – within the scope of its competence – commented on the following matters:

- positive assessment of the transaction relating to the sale of the so-called business unit. Publishing by Fiera Milano Media for Quine;

- constant review and assessment of the financial position of Fiera Milano and the Group and of the Company's shareholders' equity (in particular at the meetings of 20 January, 9 March, 5 May, 10 May and 11 June);
- examination of the Impairment Test procedure for the financial statements as at 31 December 2020;
- review of the update of the Financial Reporting Officer's Guidelines;
- analysis of the risks and opportunities underlying the Connect 2025 Business Plan;
- Impairment Test results as at 31 December 2020;
- procedures and activities under Law No. 262/2005;
- draft Financial Statements as at 31 December 2020 and the Management Report, the Consolidated Financial Statements as at 31 December 2020 and the Management Report;
- the Disclosure of Non-Financial Information at 31 December 2020;
- 2021 Internal Audit and Compliance Plan;
- Risk Assessment ERM as at 31 December 2020;
- Results of activities carried out as at 31 December 2020 by Internal Audit and Compliance;
- Assessment of the update of the Code of Ethics;
- examination and monitoring of a Whistleblowing report with the support of the competent corporate functions;
- analysis and monitoring of existing relations with the Foundation and shared services 2021;
- in-depth analysis of sustainability issues with reference to Fiera Milano's engagement and path;
- assessment of the update of the Procedure on Related Party Transactions, in the light of the update of Consob Regulation 17221 of 12 March 2010 (most recently updated by resolution of 10 December 2020);
- assessment of the Related Party Transaction between the Company and Fiera Milano Congressi S.p.A., concerning the change of use of Pavilions 3 and 4, which from 1 September 2021 will be dedicated mainly to congress activities and no longer to exhibitions.
- review of the half-yearly reports of the Internal Control and Compliance Functions as at 30 June 2021;
- analysis of the Engagement Policy, a policy for managing dialogue with institutional investors and shareholders in general;
- analysis and assessment of the merger project of Fiera Milano Media S.p.A. into Fiera Milano S.p.A.;
- analysis and preliminary assessment of the 'Gourmet Project';
- assessment of changes to the Internal Control Function's 2021 Plan;
- assessment and in-depth analysis of cyber security initiatives and projects;
- assessment and analysis of the Business Continuity Management project;
- assessment of Fiera Milano's 2022 Budget;
- in-depth analysis of sustainability issues with reference to Fiera Milano's engagement and path in terms of ESG;
- in-depth examination of the audit activities on the 2021 Financial Statements to be carried out by the Auditing Firm.

The Committee also:

- conducted – in relation to the 2020 financial year – the self-appraisal to verify the adequacy of its composition and operating rules;
- expressed a positive opinion on the Company's interest in carrying out the transaction of greater importance with a related party (*i.e.* Fondazione Ente

Autonomo Fiera Internazionale di Milano) concerning the reduction of the rent for the year 2021 for the Fiera Milano Rho and Fiera Milano City exhibition sites.

The Control, Risk and Sustainability Committee also exercised its prerogative to provide the Board of Directors with a preliminary analysis identifying, measuring, managing and monitoring the main risks to the Company and, as part of its annual assessment, the adequacy of the internal control and risk management system given the characteristics of the business and its risk profile, as well as its effectiveness.

On the subject of related-party transactions, the Committee examined the substantive and procedural fairness of the main economic, equity and financial Related Party Transactions.

During its meetings, the Committee also met with the members of the Company's Supervisory Board pursuant to Italian Legislative Decree 231/2001.

### 9.3 Head of Internal Audit (the 'Internal Control Department')

The Internal Control Department carries out independent third level control and assurance activities, to verify that the Internal Control and Risk Management System (hereinafter, **ICRMS**) is operational, adequate and consistent with the guidelines defined by the Board of Directors. This Department is mainly responsible for the following tasks:

- auditing the operations and adequacy of the ICRMS as a whole in relation to the size and business operations of the Fiera Milano Group, providing assessments and recommendations;
- providing support to Top Management and management on ICRMS issues.

In line with reference best practices, the Board of Directors approved the Internal Audit Manual which sets out the aims, powers and responsibilities of the Department.

The Head of Internal Audit, Basilio Postiglione, was appointed on the proposal of the Director responsible for the internal control system (hereinafter, '**Director in charge**'), by the Board of Directors of Fiera Milano at its meeting of 10 July 2017 and confirmed in the meeting of 20 April 2020, following a favourable opinion from the then Control and Risk Committee and after consulting the Board of Statutory Auditors.

The Internal Control Department is not responsible for any area of operations and reports to the Chairman of the Board of Directors, so as to ensure its independence and autonomy and its direct access to information and means useful in carrying out its duties. The remuneration of the Head of Internal Audit is defined by the Chief Executive Officer, in agreement with the Chairman, and is updated in compliance with company remuneration policies and with due regard to the role covered.

In particular, the Head of Internal Audit:

- on an ongoing basis and in relation to specific needs, in compliance with international standards, audits the operations and suitability of the ICRMS, taking into consideration the characteristics of the Fiera Milano Group and the risks identified. After obtaining an opinion from the Director responsible for the internal control system, the Control, Risk and Sustainability Committee and the Board of Statutory Auditors, they prepare an annual Audit Plan for submission to the Board of Directors for approval;
- prepares periodic reports containing adequate information on their activities, the risk management methods and compliance with defined risk containment plans. The periodic reports contain an assessment of the adequacy and effectiveness of the ICRMS;

- promptly prepares reports on particularly significant events;
- submits the aforementioned reports to the Control, Risk and Sustainability Committee, the Board of Statutory Auditors and the Chairman of the Board of Directors, as well as to the Director responsible for the internal control system;
- as part of the audit plan, audits the reliability of the IT systems, including accounting records systems.

In order to perform assigned duties, in addition to the Head of Internal Control, the Internal Control Department has three members of staff with specific expertise on internal control and economic and financial matters.

If considered appropriate and subject to authorisation of the delegated bodies, the Internal Control Director can also be assisted by external audit professionals or use tools to support activities.

For the 2021 financial year, the Internal Control Director carried out their activities by defining a specific Audit Plan following a methodology based on criteria of relevance and coverage of the main corporate risks. The Board of Directors approved this Plan at its meeting of 15 March 2021 and subsequently updated it during the year.

The Head of the Internal Control Department reports the results of their control activities, including any shortcomings found and the relative corrective actions formulated, in specific audit reports. These reports are sent to the Chairman, the Appointed Director, the Control, Risk and Sustainability Committee, the Board of Statutory Auditors and the Head of the function under audit.

Management also assists the Supervisory Board of Fiera Milano and its subsidiaries through specific checks to verify the functioning, effectiveness and compliance of the Organisation, Management and Control Model adopted pursuant to Legislative Decree no. 231 of 2001.

#### **9.4 Organisation model pursuant to Legislative Decree 231/01**

The Company and the subsidiaries have adopted an Organisation, Management and Control Model in accordance with Legislative Decree 231/01.

The Company, mindful of the need to ensure transparency and fairness in the conduct of its business activities, has deemed it appropriate to adopt an Organisation, Management and Control Model pursuant to Legislative Decree 231/01 (hereinafter, the '**Model 231**'), which is periodically reviewed and updated in the light of changes in the relevant regulatory framework and the Company's organisation.

The adoption and maintenance of the Model 231 aims to create a business strategy based on the principles of fairness and legality.

The Company's Model 231 is currently composed of:

- a General Section, which describes the contents of Legislative Decree 231/2001; the governance system and the organisational structure of the Company; the methodology used to identify and map the sensitive processes/activities, gap analysis and preparation of the Model 231; the characteristics and modus operandi of the Supervisory Committee; training and information; the penalty system;
- fourteen Special Sections, on categories of predicate crimes contemplated by Legislative Decree 231/01, indicating the sensitive processes/company activities which are significant as they could potentially cause the crimes to be committed, and the relative (general and specific) protocols for preventing their commission. Each section is dedicated to a category of crimes under Legislative Decree 231/2001: (i) Crimes against the public administration and private-to-private corruption, (ii) Corporate

crimes, (iii) Market abuse crimes, (iv) Transnational crimes, (v) Occupational health and safety crimes, (vi) Crimes concerning receiving, laundering and the re-use and self-laundering of money and goods of unlawful origin, (vii) Cyber crime and unlawful data processing, (viii) Crimes of organised crime, (ix) Crimes against industry and trade and crimes involving counterfeiting (x) Crimes of copyright infringement (xi) Environmental crimes (xii) Employment of an illegally staying third-country national; (xiii) Unlawful intermediation and exploitation of labour.

Model 231 is supplemented by its annex, which is an integral part of it, that is, the Code of Ethics of Fiera Milano Group (hereinafter, **Code of Ethics** or '**Code**'), which will be updated in 2021 as part of the process of strengthening Fiera Milano Group's sustainability policies, with medium- to long-term objectives and targets in the various areas in which it is implemented; objectives that are already part of the 'CONN.E.C.T. 2025' Strategic Plan.

The Code of Ethics clearly defines the set of values recognised, accepted and shared by the Company and the responsibilities it assumes both internally and externally. Compliance with the Code of Ethics by employees of Fiera Milano is of fundamental importance to the operations, reliability and reputation of the Company – factors that are a decisive asset in the success of the Group. The employees of Fiera Milano, in addition to meeting the normal requirements of loyalty, correct behaviour, and acting in good faith under the terms of the employment contract, must avoid carrying out any activity that is in competition with Fiera Milano, must respect the company rules and comply with the requirements of the Code of Ethics. All those who have business relations with the Company are made aware of the Code.

The general section of Model 231 of the Company is available on the website [www.fieramilano.it](http://www.fieramilano.it), in the section *Investors/Corporate Governance/Model 231 - General Section*, as is the Code of Ethics, published in the section *Investors/Corporate Governance/Code of Ethics*.

Following the update to the Code of Ethics and, to continue the training of recent years, information and training initiatives for all corporate employees were implemented.

To guarantee the functioning, effectiveness and compliance with the Model 231, the Company has set up a collective body known as the Supervisory Committee. Following the resignation of Piero Antonio Capitini on 25 May 2021, the current Body is composed of the Chairman, Enrico Maria Giarda, the external member Luigi Bricocoli and the internal member Basilio Postiglione, also Head of the Internal Control Department of Fiera Milano. This Committee is tasked with the control and updating of the Model 231 to ensure that it is both efficient and effective, as well as coordinating its own activities with those of other bodies and internal audit departments.

The members of the Supervisory Board are remunerated for their activities and have an annual budget when specific controls require the use of dedicated resources.

The Model 231, in application of the provisions of Article 6 paragraph 2 of Legislative Decree 231/01, provides for specific information flows to the Supervisory Committee so that the functional and compliance supervision of the Model 231 is more effective.

With reference to the unlisted Italian companies of the Group that have adopted their own organisational model, the Supervisory Committee has conducted research on each of these in order to identify adequate technical/operational solutions that, while respecting the mandate and powers reserved for the same by the prevailing regulations, are appropriate to the dimensions and organisational context of each corporate entity, also taking account of the relevant guidelines issued by the Parent.

As regards subsidiaries operating under foreign jurisdictions, which are not required to adhere to the provisions of Legislative Decree 231/01 and which do not have their own Organisation, Management and Control Models pursuant to the above-mentioned Decree 231, the Group Code of Ethics, the guidelines for anti-corruption and other compliance programmes are adopted, to provide a systematic reference framework of crime prevention regulations and standards.

## **9.5 Independent Auditors**

The statutory auditing of the accounts has been assigned to EY S.p.A. (formerly Reconta Ernst & Young S.p.A.), a company registered in the special Consob Register, in compliance with applicable laws. The mandate, conferred by the Shareholders' Meeting of 29 April 2014, is for the financial years 2014-2022.

## **9.6 Financial Reporting Officer, also holding other corporate roles and functions**

Following the resignation of Marco Pacini from his role as Chief Financial Officer and Financial Reporting Officer, the Board of Directors of the Company, after obtaining the favourable opinion of the Board of Statutory Auditors, appointed Andrea Maldì as Chief Financial Officer and Financial Reporting Officer, with effect from 1 June 2021. At the same time, the Board granted him, by a specific delegation of functions, adequate means and powers to carry out the tasks assigned to him by current legislation. The Board of Directors also supervises actual compliance with administrative and accounting procedures. The Articles of Association require this Officer to be an expert in matters of administration, finance and control and to meet the same integrity requirements as Statutory Auditors under current legislation. The Officer's appointment is for three financial years and must not exceed the term of office of the Board of Directors that made the appointment.

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The organisation of the internal control and risk management system also involves, each within its own sphere of competence, the company's second-level control functions: *Risk Management* and *Compliance*.

In particular, the *Risk Management* function is responsible for ensuring the planning, design and implementation of a comprehensive corporate risk management process. The process of systematic identification, assessment, management and reporting of Fiera Milano Group's corporate risks is regulated within a specific procedure. The Compliance function performs its role as a second-level control function in coordination with the Bodies and Functions that help set up the control frameworks, aiming to continuously ensure the compliance of corporate activities, processes and procedures with external regulations (laws, regulations, etc.) potentially applicable to the Fiera Milano Group.

## **9.7 Coordination among persons involved in the internal control and risk management system**

The coordination of persons involved in the internal control and risk management system is through a series of mechanisms and means of interaction such as: i) scheduling and holding joint meetings of the various corporate bodies and departments responsible for internal control and risk management; ii) attendance at meetings of the Control, Risk, and Sustainability Committee by the Chairman of the Board of Statutory Auditors and

other members of the Board of Statutory Auditors and by the Head of Internal Audit and Head of Compliance; iii) attendance by the Head of Compliance and the Head of the Internal Control Department at the meetings of the Supervisory Board, also as an internal member, *under* Legislative Decree 231/01; iv) the Risk Management function attends the meetings of the Control, Risk and Sustainability Committee at least twice a year, and also takes part in periodic meetings of the Board of Statutory Auditors.

The Guidelines for the Management of Information Flows (hereinafter the '**Guidelines**') are also in force. The purpose of the Guidelines is to define the management of minimum information flows between the various Fiera Milano Group companies and between the parent company's control bodies (i.e. the Board of Directors, the Board of Statutory Auditors, the Supervisory Board, the internal committees of Fiera Milano, the Internal Control Department, the Risk Management Department, the Compliance Function, the Financial Reporting Officer under Law 262/2005), in order to promote the exchange of information among company boards and Group companies, to guarantee more efficient and effective process management.

## 10. Directors' interests and Related Party Transactions

The Company has a Procedure for Related-Party Transactions (hereinafter the '**Procedure**'). The Procedure was adopted on 5 November 2010 and implemented from 1 January 2011. It was prepared in compliance with the Provisions for Related Party Transactions approved by Consob Resolution 17221 of 12 March 2010, as subsequently amended, most recently by Consob Resolution 21624 of 10 December 2020 (hereinafter the '**Regulation**'), and with the guidelines for application of the Regulation concerning Related Party Transactions issued by Consob with Communication no. DEM/10078683 of 24 September 2010, and the recommendations contained in the Corporate Governance Code.

The current Procedure was last updated by Board resolution of 16 June 2021, to align the document and the provisions contained therein with the changes in the regulatory framework, and came into force on 1 July 2021. The Board of Directors, also, will periodically, and in any event at least every three years, assess whether to update the Procedure taking into account, *inter alia*, any changes to its ownership structures, as well as the effective application of the rules and guidance in use.

In general, the Procedure provides rules and measures to be adopted to ensure transparency and the substantial and procedural fairness of related-party transactions carried out directly by Fiera Milano or through its subsidiaries. In particular, the Control, Risk and Sustainability Committee has been identified as the body designated to express a considered opinion on the interests of the Company and on the substantial fairness of relevant conditions for the completion of related-party transactions.

The Procedure takes advantage of the exception granted in the Regulation that, without prejudice to provisions on public disclosure, smaller listed companies – or those with balance sheet assets or revenues that do not exceed Euro 500 million as shown in the most recently approved Consolidated Financial Statements – may apply the guidance and approval procedures for Minor Transactions to Material Transactions.

The Company has also adopted Organisational Implementing Instructions for Procedure for Related-Party Transactions – that were updated during the Board meeting of 16 June 2021 – in order to:

- (i) establish the methods and timing for the preparation and updating of the related parties database compiled specifically for the Procedure;
- (ii) monitor the rules for identifying related-party transactions before they are finalised and oversee the preliminary procedures by identifying those persons that should give and/or receive information, the subjects appointed to ascertain if a specific transaction comes under the scope of the Procedure, as well as the means of guaranteeing the traceability of the transaction in question;
- (iii) establish the methods, timing and responsibility for managing the public disclosure process as required by the Procedure.

Please also note that pursuant to Article 2391 of the Italian Civil Code and the Regulation of the Board of Directors, each Director is required to inform the Board and the Board of Statutory Auditors of any interest that they may have, on their own behalf or on behalf of third parties, in a given transaction, providing adequate information pursuant to current legislation.

The Procedure is available on the Company [website, www.fieramilano.it](http://www.fieramilano.it), in the section *Investors/ Corporate Governance/Related Parties Procedure*.

## **11. Board Of Statutory Auditors**

### **11.1 Appointment and replacement**

The Articles of Association currently require that the appointment of Statutory Auditors is on the basis of lists presented by the shareholders; the Articles state that the position of Chairman of the Board of Statutory Auditors is granted to the first candidate on the second list by number of votes and who is in no way related, even indirectly, to those shareholders who presented, or acted in concert to present, or voted for the first – placed list by number of votes. Only those shareholders who, individually or together, represent at least 2.5% of the share capital and are entitled to vote in the ordinary shareholders' meeting have the right to present a list, as required by the Articles of Association and by Consob Resolution 60 of 28 January 2022. A shareholder who intends to present a list of candidates and who does not own a controlling interest or the relative majority of the share capital of the Company must deposit a declaration stating the absence of any relationship with the controlling shareholders, as required by the regulatory provisions. The lists must be filed with the registered office of the Company at least twenty-five days prior to the date set for the Shareholders' Meeting on first call and must be made publicly available at least twenty-one days prior to this date.

Ownership of the minimum shareholding required to present lists is based on the shares confirmed as registered to the shareholder on the day on which the lists are filed with the Company. To prove ownership of the minimum number of shares required to present lists, by the deadline for publication of the lists by the Company, the shareholders must provide the relative certification issued by the authorised intermediaries in accordance with law.

Each list, deposited at least twenty-five days before the date fixed for the Shareholders' Meeting on first call, must be accompanied by a declaration in which each candidate accepts the candidacy and declares that no reasons of ineligibility or incompatibility exist also with reference to the accumulation of positions referred to below, that the requirements of applicable law relating to the assumption of the position are fulfilled, and



must include a curriculum vitae of the candidate that indicates the administration and control positions held.

The lists presented by shareholders must have two sections: one for the appointment of Standing Statutory Auditors and the other for Substitute Statutory Auditors. The lists should not contain more candidates than there are positions to be filled, and should be numbered consecutively. The lists must include candidates of both genders. Each candidate may only appear on one list, failing which they will be ineligible.

The Articles of Association also provide that, without prejudice to situations of incompatibility under applicable law, any person who is already an acting Statutory Auditor in four companies listed on regulated markets may not take up a position as Statutory Auditor and, if elected, their mandate is nullified, except where different limits are established by laws periodically in force.

To meet the requirements of Article 148, paragraph 1-*bis* of the Consolidated Finance Act and Article 144-*undecies*.1 of the Issuers' Regulation regarding the appointment and replacement of members of the Board of Statutory Auditors, the Articles of Association contain the same criteria and requirements as those for the appointment and replacement of members of the Board of Directors described above.

The complete Articles of Association are available on the Company website [www.fieramilano.it](http://www.fieramilano.it) in the section *Investors/Corporate Governance/Articles of Association*.

## 11.2 Composition and operation

The Board of Statutory Auditors was appointed by the Shareholders' Meeting of 28 April 2021, based on a single list presented by the controlling shareholder, Fondazione Ente Autonomo Fiera Internazionale di Milano, and will remain in office until approval of the Financial Statements at 31 December 2023.

The following is a short CV/resume, indicating the personal and professional experience of each of the Statutory Auditors currently on the Board of Statutory Auditors.

**Monica Mannino**, Chairman of the Board of Statutory Auditors of Fiera Milano from 28 April 2021. Born in Palermo on 18 October 1969, she graduated in Business Administration from Bocconi University in 1994. She has practised as a Chartered Accountant since 1995 and is on the National Register of Auditors.

Ms Mannino specialises in corporate governance consulting, national and international tax issues, Italian and international accounting standards, financial statements and consolidated financial statements for Italian and foreign corporations, including public companies and multinational groups.

She has acquired significant experience in appraisals, evaluations and technical consultancy, tax and accounting due diligence and has held and still holds positions as a non-executive Director, Statutory Auditor and member of Supervisory Boards pursuant to Italian Legislative Decree 231/01. In addition, she has served and continues to serve as statutory auditor.

She currently holds the following positions: Chairman of the Board of Statutory Auditors of DiaSorin S.p.A., ERAMET ALLOYS Italia S.r.l., Tinexta Cyber S.p.A., Corvallis S.r.l. and member of the Board of Statutory Auditors of TINEXTA S.p.A., Istituto Stomatologico Italiano Soc Coop Sociale ONLUS, FBS Next S.p.A. and LUXMASTER S.p.A.

Since 2004, she has been a Technical Consultant for the Public Prosecutor's Office of Milan on corporate and bankruptcy offences.

**Daniele Federico Monarca**, Standing Statutory Auditor of Fiera Milano since 23 April 2018 and Standing Statutory Auditor of Fiera Milano Media S.p.A. from 3 April 2019 to 16 December 2021 (the effective date of the merger by incorporation of the subsidiary into Fiera Milano).

Born in Milan on 22 April 1959, he graduated in Economics from Bocconi University in 1981. He has practised as a Chartered Accountant since 1982 and is on the National Register of Auditors.

He has held several administration and control positions and is currently Standing Statutory Auditor of Costruzioni Giuseppe Maltauro S.p.A., Independent Director of BFC Blue Financial Communication S.p.A., Partner/Co-founder and CEO di Pigreco Corporate Finance S.r.l., Standing Statutory Auditor of Foodness S.p.A., First Advisory S.r.l., Investitori First S.p.A., D.P.I. S.p.A. in liquidation, Magifin S.p.A., and Standing Statutory Auditor with Statutory Audit Responsibilities of FHS&C S.p.A.

Entered in the Register of Court Appointed Experts with the Court of Milan, to date he is also Professor under contract in accounting at Bocconi University, Milan for the Post-Graduate Course for Company Lawyers and Professor of the Family Officer Master's Course organised by AIFO Academy.

**Piero Antonio Capitini**, Standing Statutory Auditor of Fiera Milano since 28 April 2021 (former Chairman of the Supervisory Board of Fiera Milano until 24 May 2021).

Born in Mede on 11 October 1972, he graduated in Economics and Business from the University of Pavia in 1998. He has practised as a Chartered Accountant since 2009 and is on the National Register of Auditors.

Mr Capitini has many years of experience in auditing company statutory and consolidated financial statements, including those listed on regulated markets, and in assessing the internal control and risk management system, and the area of Italian Legislative Decree 231/2001. He has carried out and still carries out activities concerning judicial administrations and technical consultations at several Public Prosecutor's Offices.

He has held various administration and control positions; he is currently Standing Statutory Auditor of Polti S.p.A., Sirtion Pharmaceuticals S.p.A., Panta Distribuzione S.p.A., Knorr-Bremse Sistemi Per Autoveicoli Commerciali S.p.A., Friem S.p.A. and Sevecom S.p.A., Costamp Group, ABG Systems S.p.A. and Nelsa S.r.l. He is also an independent director of Cubi S.r.l.

**Livia Amidani Aliberti**, Substitute Statutory Auditor of Fiera Milano from 28 April 2021.

Born in Rome on 15 July 1961, she graduated in Economics and Business from the LUISS University of Rome in 1983. She has been a qualified chartered accountant since 1998.

Ms Aliberti has extensive experience as an Independent Director and member of internal committees in Italy and abroad. She currently holds the position of Standing Statutory Auditor at Recordati S.p.A., is a member of the Supervisory Board of UniCredit Bank Austria AG and an independent director of Cassa Depositi e Prestiti S.p.A., as well as Messaggerie Italiane S.p.A.. She is also a Director and founder of Centre for European Social Research Ltd, a European-wide research centre focusing on gender and social issues. And of AgriCult Ltd, a platform for food sustainability.

She is an international expert in the field of Gender Diversity, speaker at national and international events on topics related to gender diversity, author of research and speaker at conferences on corporate governance and gender diversity, both in Italy and abroad.

**Simone Bruno**, Substitute Statutory Auditor of Fiera Milano from 28 April 2021.

Born in Pisa on 9 May 1965, he graduated in Economics and Business at La Sapienza University of Rome in 1993. He has practised as a Chartered Accountant since 1995 and is on the National Register of Statutory Auditors.

Currently he holds the following corporate offices: director of RBG S.r.l. and member of the Board of Directors of Associazione Italia Professioni.

He is also Chairman of the Board of Statutory Auditors of Capac, Centro Intermodale S.p.A., CIM S.p.A., Fondazione Educatori III Millennio, Hupac S.p.A., Sixtema S.p.A., Termini S.p.A., and Standing Statutory Auditor and auditor in other companies.

Under Article 20 of the Articles of Association and in compliance with provisions of the Corporate Governance Code, the Board of Statutory Auditors is well represented in terms of gender diversity – as it has three Standing Statutory Auditors of which at least one is of the least represented gender and two Substitute Statutory Auditors, one of each gender – and also in terms of generational diversity as its members come from various age groups and professional backgrounds<sup>8</sup>.

The replacement procedure complies with the requirement for gender balance.

The members of the Board of Statutory Auditors must also meet the integrity, professionalism and independence requirements of laws and regulations; they must also be independent under the criteria required of directors in the Corporate Governance Code.

With particular reference to the quantitative and qualitative criteria for assessing the significance of the circumstances relevant under the Code for the assessment of independence – as already set out in Chapter 4.2 of this Report – please note that in determining the significance threshold of the ‘significant commercial relationship’ and ‘significant additional remuneration’ referred to in recommendation 7 letters c) and d)<sup>9</sup> the Board of Directors has decided to use the criteria already adopted by the Company in the Related Party Transactions Procedure. Under this Procedure, Small Amounts are commercial relationships with individuals below the threshold of Euro 50,000.00.

At the time of their appointment, the auditors declared that they met the independence requirements outlined in Article 148, paragraph 3 of Italian Legislative Decree 58/1998 and the recommendations of the Corporate Governance Code for Listed Companies. On the occasion of the annual assessment, the Board of Statutory Auditors verified the independence requirements by obtaining self-certification from each of its members, now held on Company records, and reported the results to the Board of Directors.

An indication of further requirements to be appointed as a Statutory Auditor was considered unnecessary as applicable rules and regulations ensure the identification of persons that have the necessary skills and experience to carry out the role.

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<sup>8</sup>Please note that Fiera Milano’s Articles of Association was amended in 2020, by the Board of Directors, to make them consistent with the new provisions of Law 160/2019 on the subject of gender distribution of members of corporate bodies.

<sup>9</sup> Recommendation 7 of the Corporate Governance Code:

*c) if, directly or indirectly (e.g. through subsidiaries or companies of which they are an executive director, or as a partner in a professional firm or consulting company), they have, or have had in the preceding three financial years, a significant commercial, financial or professional relationship: (i) with the company or its subsidiaries, or its executive directors or top management; (ii) with a party who, together with others through a shareholders’ agreement, controls the company; or, if the parent company is a company or entity, with its executive directors or top management;*

*d) if they receive, or have received in the previous three financial years, from the company, one of its subsidiaries or the parent company, significant remuneration additional to the fixed remuneration for the office and to that provided for participation in the committees recommended by the Code or provided for by the regulations in force.*

During the 2021 financial year, the Board of Statutory Auditors held 22 meetings, 15 of which were held by the Board of Statutory Auditors currently in office (appointed by the Shareholders' Meeting of 28 April 2021). The average duration of the meetings of the current Board of Statutory Auditors was approximately 3 hours. At the date of approval of this Report, four meetings had been held in the current financial year.

The Board of Statutory Auditors, in compliance with Article 149 of the Consolidated Finance Act and the powers invested in it by Article 2403-bis of the Italian Civil Code, monitors the Company's activities to: ensure compliance with the principles of correct administration, the adequacy of the company's organisational structure regarding positions and responsibilities, the internal control system and the administrative/accounting system, as well as the reliability of the latter in accurately representing management information, the procedures for the actual implementation of corporate governance rules of codes of conduct prepared by companies responsible for the organisation and management of regulated markets, as well as the adequacy of regulations prepared by the Company and applicable to its subsidiaries, in accordance with Article 114 paragraph 2 of Legislative Decree 58/98. In compliance with Article 19 of Legislative Decree 39/2010, the Board of Statutory Auditors also oversees the legal audit of the annual and consolidated financial statements, the effectiveness of the internal control, internal audit and risk management systems, as well as the process for financial reporting. The Board of Statutory Auditors also oversees compliance with the provisions regarding the Disclosure of Non-Financial Information, required by Legislative Decree 254/2016 and reviews this in its annual report to the Shareholders' Meeting.

Under Article 20.1 of the Articles of Association, in addition to its responsibilities under Article 2403, paragraph 1 of the Italian Civil Code and the powers it has under Article 2403-bis of the Italian Civil Code, the Board of Statutory Auditors must also monitor:

- (a) the capacity of the entire internal control system to establish the effectiveness of all structures and departments involved in the control system and their adequate coordination, while taking corrective measures for any shortfall or irregularity that comes to light;
- (b) the corporate disclosure process;
- (c) the statutory auditing of the annual accounts;
- (d) the independence of the independent auditor or independent audit firm, in particular as regards non-audit services.

In addition, as Internal Control and Audit Committee pursuant to Article 19, Legislative Decree 39/2010, the Board of Statutory Auditors is responsible for procedure for selecting the independent auditors. The Board of Statutory Auditors must also inform the Board of Directors of the results of the audit and submit the additional report to the Board pursuant to Article 11, Regulation (EU) 537/2014 received from the independent auditors, accompanied by any findings.

The Board of Statutory Auditors also monitors the independence of the independent auditors, ensuring compliance with existing regulations, and the nature and scale of non-audit services provided to the Company and its subsidiaries by the independent auditors and its network of entities. To carry out its responsibilities, the Board of Statutory Auditors also works in conjunction with the Internal Control Department and with the Control, Risk and Sustainability Committee on matters of common interest through meetings and exchanges of information.

The Board of Statutory Auditors participates in the meetings of the Risk and Sustainability Committee and the meetings of the Appointments and Remuneration Committee.

The members of the Control Body receive remuneration commensurate with the competence, professionalism and commitment required by the scope of the role covered and the size and sector characteristics of the company. On this point, please note that the majority shareholder – from whose list, in the absence of the submission of minority lists, the entire Board of Statutory Auditors was drawn – proposed to the Shareholders' Meeting that the remuneration of the new Board of Statutory Auditors be determined considering the contents of the paragraph on the 'Remuneration considerations' of the 'Guidelines to Shareholders on the renewal of the Board of Statutory Auditors' drawn up by the outgoing Board of Statutory Auditors.

### **– Self-appraisal by the Board of Statutory Auditors**

In compliance with the Code of Conduct for the Boards of Statutory Auditors of Listed Companies, published by Italy's National Association of Accounting Professionals (CNDCEC), on 26 April 2018 the Board of Statutory Auditors completed an appraisal in relation to:

- the suitability of members and adequate composition of the board, with reference to the professionalism, expertise, integrity and independence requirements of the regulations;
- the availability of time and resources suited to the complexity of the position.
- The Board of Statutory Auditors also performs periodic self-appraisals of its operations in relation to the actual planning of its activities.

The self-appraisal of the Company's Board of Statutory Auditors, therefore, in continuity with last year, was therefore based on guidelines issued by Italy's National Association of Accounting Professionals (CNDCEC) based on indications in the document 'Self-appraisal for Boards of Statutory Auditors', published by CNDCEC in May 2019.

The Chairman of the Board of Statutory Auditors, with operating support from the relevant company departments, prepares the self-appraisal report of the Board, which describes the methodology used and the different stages that constitute the self-appraisal process: those involved in the self-appraisal; the results obtained, highlighting any strengths or weaknesses; the remedial actions suggested by the Statutory Auditors; and describes the progress or status of corrective actions defined in the previous self-appraisal. The self-appraisal document is presented to the Board of Statutory Auditors for its approval and then agreed with the Board of Directors.

The questions in the self-appraisal questionnaire were designed to analyse (i) the size and composition of the Board of Statutory Auditors with reference to the nature and professional experience of the Statutory Auditors; (ii) its modus operandi; (iii) of the composition (iv) the knowledge of the legal framework of the sector and the participation of Statutory Auditors in meetings and in the decision-making process.

Each Statutory Auditor completed this questionnaire and the analysed results were aggregated and presented to the Board of Statutory Auditors in an anonymous format.

The results of the self-appraisal were obtained with the active cooperation of all Statutory Auditors and were processed with operating support from the Secretariat of Fiera Milano. The latter were then approved by the Board of Statutory Auditors on 17 February 2022 and formalised in a specific document presented to the Board of Directors on 25 February 2022.

As regards the personal and collective requisites and competencies of Board members:

- all members meet the requirements under Article 2382 of the Italian Civil Code;
- the members of the Board of Statutory Auditors must also meet the integrity, professionalism and independence requirements of laws and regulations (i.e. Consolidated Finance Act and Corporate Governance Code);
- the Board of Statutory Auditors guarantees the diversity of its members; specifically:
  - o gender diversity is well represented on the Board, with two-fifths of its members belonging to the least represented gender, i.e., in this case, women;
- generational diversity is well represented on the Board, as members are from different age groups and professional backgrounds;
- each Board Director has good knowledge of and experience in at least three of the competency areas indicated;
- the supervisory body has an appropriate composition to ensure the independence and professionalism of its function.

With reference to the results of the self-appraisal on the Board's modus operandi:

- the size of the Board is adequate for it to carry out its functions;
  - o the composition of the Board is balanced, and diverse professional expertise guaranteeing appropriate oversight of different areas is well represented; in particular, the following competences are well represented:
    - o accounting expertise in consulting and interpreting financial reporting;
    - o financial expertise and expertise in extraordinary operations;
    - o expertise in risk management;
    - o expertise in accounting;
    - o expertise in statutory auditing;
    - o expertise in taxation;
    - o knowledge of internal audit processes;

and the following areas of expertise are also well represented:

- o knowledge of management and business organisation processes;
- o experience/skills in the sector and in the specific markets in which the company operates;
- o experience in listed companies;
- o knowledge of the Company's internal regulatory system;
- o ability to supervise the adequacy and effective functioning of the organisational structure, regarding risk management, internal audit and financial reporting processes.
- each Board member declares that they have adequate time available to perform their duties, given the complexity of the task;
- the operation of the Board is generally adequate for the requirements of Fiera Milano; specifically:
  - o the timeliness of planning, including extraordinary planning, of meetings;
  - o the effective conduct of meetings, focusing on significant issues;
  - o members always attend the Board's meetings;
  - o members are actively involved in discussions;
  - o the quality of the contribution of the auditors in relation to their respective knowledge and skills;
  - o the Board's meetings are specifically and clearly recorded in the minutes;
  - o the minutes are adequate and the register of meetings is duly updated and kept;
  - o there is a team spirit and mutual trust;

- the maximum number of positions that may be held is observed;
- the auditors are willing to take part in company activities;
- the work carried out by the Board overall is effective.
- information flows between the Board of Statutory Auditors and other company boards are adequate;
- the information flow between the Board of Statutory Auditors and the Independent Auditors is adequate.

The position of the Chairman is key; specifically:

- meetings of the Board are managed effectively;
- focus on achieving an adequate depth of understanding of the topics covered;
- they have a steering function in the Board's organisation;
- they coordinate with the Chairmen of other company bodies and top managers of the Company;
- information flows with company functions are correctly managed;
- they ensure necessary leadership.

In conclusion, in light of the analysis of the profiles concerning the composition and functioning of the Control Body, the Board of Statutory Auditors deems the exercise of the control function to be adequate, given the role it plays in supervising legal compliance with laws, regulations and the Articles of Association on sound administration, the adequacy of the Company's organisational and accounting structures, and the functionality of the overall internal control system.

The individual members of the Board of Statutory Auditors will periodically monitor the situation so as to take appropriate safeguards, if necessary.

## 12. Shareholder Relations

### – Access to information

The Company has adopted a communication policy with the aim of establishing continuous dialogue with all shareholders and, in particular, with institutional investors, ensuring the systematic and prompt dissemination of exhaustive information regarding its activities, while complying with the regulations on inside information.

The Company has an Investor Relations & CSR office, in charge of relations with the financial community, whose responsibility – following the resignation of the Investor Relations Manager, Pietro Gasparri – was entrusted ad interim to the Chief Financial Officer, Andrea Maldì.

The methods adopted for financial disclosure are those of systematic contact with financial analysts, institutional investors and the specialist media in order to ensure a full and proper understanding of trends in the Company's strategic direction, the implementation of strategy and the impact on the business results.

In addition, it has been decided to further encourage dialogue with investors to allow them to exercise their rights in an informed manner by adequately preparing the contents of the Company's website ([www.fieramilano.it](http://www.fieramilano.it) in the *Investors* section). The section also contains information on corporate governance issues (the composition of corporate bodies, the Company's articles of association, Corporate Governance reports, remuneration reports, documents relating to shareholders' meetings, shareholders'

meeting regulations, the related-party transactions procedure), earnings and financials (such as financial statements, half-yearly and interim reports, presentations to the financial community, Fiera Milano share price performance), and sustainability (Sustainability Report/Non-Financial Statement). Information is also provided on how to contact the Investor Relations Function.

Furthermore, the 'Investors' section of the Company website contains a section for press releases and other up-to-date documents of interest to all Shareholders (e.g. information on capital structure, share performance, financial calendar, presentations to the financial community). Press releases with price-sensitive content are disseminated in accordance with the procedures laid down by Consob regulations on the release of regulated information to the public.

### – Dialogue with Shareholders

Fiera Milano attaches great importance to establishing and maintaining a constant, transparent and constructive dialogue with Investors, with the majority of its Shareholders and, more broadly, with the entire financial community. This contributes to improving the level of understanding of the strategy and objectives of the Company and the Group it heads, of the results achieved and on every aspect – financial and non-financial – relevant to investment choices and the informed exercise of shareholder rights. Interacting with Investors in accordance with current regulations and the principle of equal treatment also presents a valuable opportunity for discussion and exchange of information and opinions, and is a strategic lever for medium/long-term value creation.

The Board of Directors, in the interest of the Company and its Shareholders, promotes dialogue with Investors and, in compliance with the provisions of the Corporate Governance Code, at the Board meeting held on 28 July 2021 approved the 'Policy for managing dialogue with institutional investors and the general public' (hereinafter the '**Engagement Policy**').

The Engagement Policy has been prepared to ensure that dialogue with Investors and, in general, with the entire shareholder community takes place in compliance with good corporate practices and current legislation, including legislation on the treatment of inside information, and that it is based on the principles of accuracy, transparency, timeliness and information symmetry.

The Chairman of the Board of Directors, assisted by the Chief Executive Officer, ensures that the Board of Directors is promptly informed of the development and main content of dialogue with Institutional Investors and Shareholders, according to the provisions of the Engagement Policy.

The Engagement Policy is published on the Company's website [www.fieramilano.it](http://www.fieramilano.it) in the *Investors/Governance/Engagement Policy* section.

### **13. Shareholders' Meetings (Article 123-bis, paragraph 2.c), Consolidated Finance Act)**

The Shareholders' Meeting represents all shareholders, and its decisions, taken in accordance with the law and the Articles of Association, are mandatory and binding on all shareholders, including those who did not attend, abstained or dissented, although dissenting shareholders have rights of rescission under certain circumstances.

On 23 April 2013, the Shareholders' Meeting adopted Regulation, available on the Company's website [www.fieramilano.it](http://www.fieramilano.it) in the *Investors/Governance/Shareholders'*



Meeting section, aiming to procedurise the conduct of ordinary and extraordinary shareholders' meetings.

The aforementioned Regulation defines the procedures to be followed to ensure the orderly and correct conduct of Shareholders' Meetings whilst guaranteeing the right of each shareholder to speak on the matters under discussion.

The Shareholders' Meeting is convened and deliberates, under the law and regulations for companies with listed shares, on matters that are its responsibility by law.

The Shareholders' Meeting is authorised to approve, inter alia, in an ordinary or extraordinary meeting (i) the appointment or removal of members of the Board of Directors and of the Board of Statutory Auditors and their relevant remuneration and responsibilities, (ii) the Financial Statements and the allocation of profits, (iii) the purchase and disposal of treasury stock, (iv) changes to the Articles of Association, (v) the issue of convertible bonds.

In accordance with applicable law, legitimate attendance and exercise of the right to vote in Shareholders' Meetings is restricted to those who appear as shareholders at close of business on the seventh trading day prior to the date of the Shareholders' Meeting, and who present to the issuer the relevant communication from an intermediary that conforms to its accounting records, on behalf of the person having the right to vote at the Shareholders' Meeting using the aforementioned mechanism.

## **14. Additional corporate governance practices (Article 123-bis, paragraph 2.a), Consolidated Finance Act)**

### **14.1 Management procedure for disclosures, including anonymous disclosures received by Fiera Milano and its subsidiaries**

On 8 November 2016, the Procedure for handling reports, including anonymous reports (Whistleblowing) received by Group companies, was adopted. The Procedure was last updated at the Company's Board of Directors meeting of 11 May 2018. Another update is due in 2022 to align the document with [the regulatory changes introduced by EU Directive 2019/1937](#).

The Procedure governs the receipt, analysis and treatment of disclosures alleging irregularities, including those made anonymously or in confidence, from third parties or from Fiera Milano Group personnel.

The disclosures may include, inter alia: crimes, illicit or anomalous activities and/or behaviour of any kind, also omissive, attributable to the employees of the Fiera Milano Group or third parties that violate the Code of Ethics, the Models 231 adopted by companies of Fiera Milano Group, internal regulations issued by the Fiera Milano Group, laws or regulations or obligations issued by the Authorities or any acts that could cause damage or detriment of any kind to the Fiera Milano Group.

The latest review of the Procedure amended the composition of the Whistleblowing Committee, in which the Internal Audit Director and Head of Human Resources, participate with the Head of Security. This Committee reports to the Supervisory Committee on any controls that have been carried out when significant provisions of Legislative Decree 231/01 have been breached.

Although disclosures may be made in any way, the Company has set up different channels of communication that include: the website, an e-mail address, a toll-free number and a postal address. The channels set up for direct disclosure to the Supervisory

Committees of Group companies under Legislative Decree 231 remain valid (dedicated account).

## **14.2 Guidelines on Direction and Coordination**

The Company has adopted Guidelines on the exercise of management and coordination powers by the Parent (the '**Guidelines**'), which replaced the 'Regulation on the exercise of the power of direction and coordination by the parent company previously in force (the latest version of this document was approved by the Shareholders' Meeting in April 2013). Considering legal developments in the meantime, and despite the changes made to the organisational structure of the Fiera Milano Group, it was considered appropriate to revise this document.

This document was prepared to set guidelines for the direction and coordination of subordinate entities, with the aim of providing a solid base for stronger and more effective inter-relations.

The Guidelines identify precise responsibilities regarding, respectively, the Company and its subsidiaries, in a framework of a unequivocal and reciprocal undertaking of duties and specific governance procedures, appropriately gauged to provide an equitable balance between requirements for centralisation and respect for the autonomous management of subsidiaries. The Guidelines and any changes or additions are presented to the Boards of Directors of Group Companies for approval and are then notified to the shareholders' meetings of all Group Companies.

The Guidelines were approved by the Board of Directors of the Parent on 31 July 2019 and, subsequently, in order for them to be adopted, the Regulation was presented to the Shareholders' Meetings of the individual companies of the Group so that each could independently adopt them as the basis for their own operations. They were then presented at the Fiera Milano Shareholders' Meeting of 20 April 2020.

## **15. Changes after the end of the reporting period**

There are no significant changes to report.

## **16. Recommendations of the Corporate Governance Committee for 2022 (letter dated 3 December 2021)**

In a letter dated 3 December 2021, the Chairman of the Corporate Governance Committee sent the Committee's 2021 report to the chairmen of the boards of directors of listed companies and for information to the CEOs and chairmen of the supervisory bodies.

In the same communication, the Chairman formulated a series of recommendations aiming to encourage and support the process of compliance with the provisions of the Corporate Governance Code. In detail, the recommendations focused on the following issues:

- a. sustainability;
- b. application of the independence criteria;
- c. quality of information to the Board of Directors;
- d. gender equality;
- e. Remuneration policies;

f. appointment and succession of directors.

These recommendations – immediately brought to the attention of the Chairman of the Board of Directors and the Chairman of the Board of Statutory Auditors – were shared with the entire Board of Directors of Fiera Milano at the meeting held on 25 February 2022. On that occasion, the Board of Directors verified that the Company is aligned with the recommendations issued by the Corporate Governance Committee.

In particular, having examined the recommendations and the specific points of concern raised for each of them, it is noted that:

1. Sustainability: sustainability is included as an integral and key point in the business plan approved by Fiera Milano on 22 February 2021. The Company will thus note in the Corporate Governance Report that the issue of sustainability is already incorporated into Fiera Milano's business activities, long-term strategies and internal control and risk management system, and in its remuneration policy. Please also note that as of 1 January 2021, the typical tasks of the Control, Risk and Sustainability Committee have been further expanded regarding the review of issues relevant to the generation of long-term value and the company's sustainable success
2. Application of the independence criteria: on this point, please note that the Company's resolution of 15 December 2020, in assessing the existence of the requirement of independence of directors, defined the quantitative parameters to adopt for assessing the significance of existing relationships. Therefore, the Company will disclose in the Corporate Governance Report the resolutions passed and the fact that no criteria set out in the Corporate Governance Code have been disregarded in assessing the independence criteria.
3. Quality of the information provided to the Board of Directors: the Regulation of the Board of Directors – as last updated – expressly provides for a deadline of three days to send directors and auditors the documents under discussion. In addition, according to the Guidelines of the Financial Reporting Officer, the financial statements must be made available to the Board one week in advance). In 2021, the Company usually met the deadlines set. The exceptions were limited cases where the delay was justified by the exceptional urgency of the issues under examination and/or resolved upon.
4. Gender equality: as the market is already aware, two-fifths of Fiera Milano's administrative body consists of the least represented gender, that is, men (four men compared to five women). Gender diversity is also well represented on the Board of Statutory Auditors, where the role of Chairman is currently held by the auditor belonging to the least represented gender, female. Regarding the diversity policies applied by the Company within its own organisation, please also note that, in line with the provisions of its Code of Ethics, Fiera Milano offers all workers the same work opportunities, ensuring that everyone can enjoy fair treatment based on merit criteria, without any discrimination.
5. Remuneration policies: Fiera Milano, supported by the work of the Appointments and Remuneration Committee, continues to set fixed and variable remuneration, the latter with short- and long-term objectives, including those related to non-financial and sustainability objectives. In compliance with the existing Remuneration Policy, *ad hoc* bonuses are only granted in exceptional cases and guaranteed by an authorisation process involving the highest levels of the company.
6. Appointment and succession of directors: On the occasion of the update of the Regulation of the Board of Directors, Fiera Milano supplemented Article 13.5 of

the aforementioned document, providing that: *'Ahead of each renewal, the Board of Directors expresses an opinion on its optimal quantitative and qualitative composition, taking into account the results of the self-appraisal.'* Please also note that at the recent renewal of the management body, which took place at the Shareholders' Meeting of 20 April 2020, the outgoing Board of Directors had expressed its views on the optimal quantitative and qualitative composition, making available to shareholders the *'Guidelines on the composition of the new Board of Directors of Fiera Milano S.p.A. for the three years 2020-2022'*.

## Tables

The two tables on the following pages summarise the Company's adherence to the main corporate governance requirements of the Corporate Governance Code.

The first table shows the structure of the Board of Directors and its internal committees. It lists the Directors and their category (Executive, Non-executive and Independent). It also shows the composition of the various committees.

The second table summarises the characteristics of the Board of Statutory Auditors. It lists the members of the Board, both standing and substitute, and indicates if they have been nominated from lists put forward by non-controlling interests.

Both tables give information on the number of meetings held by the Board of Directors, the various committees and the Board of Statutory Auditors and the attendance rate of individual members. The tables also show the number of administrative positions held in other companies; these are also detailed in this Report and are used for necessary checks to establish compliance with rules on holding several positions.

**Table 1**

**Structure of the Board of Directors and its committees**

**TABLE 1. STRUCTURE OF THE BOARD OF DIRECTORS AND OF ITS COMMITTEES**

BOARD OF DIRECTORS												Control Risk and Sustainability Committee		Appointments and Remuneration Committee	
Position	Members	Year of birth	Date first appointed	In office from/until	List	Exec.	Non Exec.	Independent under the	Indep. (TUF)	*	No. of other positions held**	***	*	***	*
Chairman	Carlo Bonomi	1966	25.04.2020	c	d		X		X	9/11	1				
Chief Executive Officer	Luca Albino Palermo <sup>a</sup>	1970	2.10.2020	c	d	X				11/11	0				
Director	Alberto Baldan	1960	21.04.2017	a	d		X	X	X	11/11	3			M	7/7
Director	Stefania Chiaruttini	1962	21.04.2017	a	d		X	X	X	11/11	5	P	13/13		
Director	Anna Gatti	1972	20.04.2020	b	d		X	X	X	7/11	3				
Director	Francesca Golfetto	1950	21.04.2017	a	d		X	X	X	11/11	2	M	13/13		
Director	Angelo Meregalli	1967	21.04.2017	a	d		X	X	X	11/11	0	M	12/13		
Director	Marina Natale	1962	21.04.2017	a	d		X	X	X	11/11	3			M	7/7
Director	Elena Vasco	1964	21.04.2017	a	d		X	X	X	10/11	2			P	7/7
												BoD	Control Risk and Sustainability Committee	Appointments and Remuneration Committee	
<b>Number of meetings held in the financial year ended 31 December 2021</b>												11	13	7	
<b>Shareholding required by non-controlling shareholders to present lists (under Article147-ter of the TUF):</b>												2.50%			

**NOTES**

\* This column shows the attendance rate of Directors at Board Meetings and Committee Meetings. Specifically, the number of meetings they attended is indicated against the total number of meetings they should have attended (no. of attendances/no. of meetings held during the person's actual period in office).

\*\* This column shows the number of other directorships or statutory auditorships held in other companies listed on regulated markets, including foreign ones, in financial, banking, insurance or large companies.

\*\*\* This column shows the role of the director on the committee: 'C': chairman, 'M': member.

<sup>a</sup> The symbol indicates the director in charge of the internal control and risk management system.

<sup>a</sup> Appointed by the Shareholders' Meeting of 21 April 2017 for the three-year period expiring with the approval of the financial statements at 31 December 2019 and confirmed by the Shareholders' Meeting of 20 April 2020 for the three-year period expiring with the approval of the financial statements for the year 2022.

<sup>b</sup> Appointed by the Shareholders' Meeting of 20 April 2020 for a three-year period ending with the approval of the Financial Statements at 31 December 2022.

<sup>c</sup> Appointed by the Shareholders' Meeting of 2 October 2020 for a three-year term ending with the approval of the Financial Statements at 31 December 2022. Please note that Mr Bonomi was co-opted pursuant to Article 1386 of the Italian Civil Code by the Board of Directors on 25 April 2020 and confirmed by the Shareholders' Meeting of 2 October 2020.

<sup>d</sup> Appointed from the only list presented by the majority shareholder Fondazione E. A. Fiera Internazionale di Milano.

**Table 2**

**Structure of the Board Of Statutory Auditors**

BOARD OF STATUTORY AUDITORS								
Position	Members	Year of birth	Date first appointed	In office from/to	List	Independent under the Code	Attendance at meetings of the Board of Statutory	No. of other positions held**
Chairperson	Monica Mannino	1969	28/04/2021	<b>b</b>	<b>c</b>	X	15/15	2
Statutory Auditor	Daniele Federico Monarca	1959	23/04/2018	<b>a</b>	<b>c</b>	X	22/22	0
Statutory Auditor	Piero Antonio Capitini	1972	28/04/2021	<b>b</b>	<b>c</b>	X	15/15	1
Substitute Auditor	Livia Amidani Aliberti	1980	28/04/2021	<b>b</b>	<b>c</b>			
Substitute Auditor	Simone Bruno	1969	28/04/2021	<b>b</b>	<b>c</b>			
<b>Number of meetings held in the financial year ended 31 December 2021</b>							22	
<b>Shareholding required by non-controlling interests to present lists of candidates (under Article 148 of the Consolidated Finance Act)</b>							2,50%	
<p><b>NOTES</b></p> <p>* This column shows the attendance rate at meetings of the Board of Statutory Auditors (no. of times present/ no. of meetings held during the period of appointment).</p> <p>** This column shows the number of positions held as Director or Statutory Auditor under Article 148-bis of the TUF. For a complete list of the positions held by each member of the Board of Statutory Auditors, please refer to the information published on the Consob website in accordance with Article 144-<i>quinquedecies</i> of the Consob Issuers' Regulations.</p> <p><b>a</b> Appointed by the Shareholders' Meeting of 23 April 2018 and confirmed by the Shareholders' Meeting of 28 April 2021 for the three-year period expiring with the approval of the financial statements at 31 December 2023.</p> <p><b>b</b> Appointed by the Shareholders' Meeting of 28 April 2021 for a three-year period ending with the approval of the Financial Statements at 31 December 2023.</p> <p><b>c</b> Appointed from the only list presented by the majority shareholder Fondazione E. A. Fiera Internazionale di Milano.</p>								