

Mediaset Group

Report on corporate governance and ownership structure



The report, written pursuant to Article 123-bis of the TUF [Consolidated Law on Finance] is made available at the registered office, published in the Company's website, and available on the authorised storage mechanism eMarket Storage (www.emarketstorage.com) in accordance with the methods and terms required by the regulations in effect.

Issuer: Mediaset S.p.A..

Website: www.mediaset.it

Financial year to which the report refers: ending on 31 December 2018

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GLOSSARY

Board of Directors/board: The Board of Directors of Mediaset S.p.A.

Board of Statutory Auditors/Board: the Board of Statutory Auditors of Mediaset S.p.A.

Code/Corporate Governance Code: the Corporate Governance Code for Listed Companies approved in July 2015 and supplemented in 2018 by the Corporate Governance Committee and promoted by Borsa Italiana S.p.A., ABI, Ania, Assogestioni, Assonime, and Confindustria, which is available on the website www.borsaitaliana.it/comitato-corporate-governance/codice/2018clean.pdf

Company Bylaws: the Company Bylaws of Mediaset S.p.A., which are available on the website www.mediaset.it/investor/governance/statuto_it.shtml.

Consob Issuers' Regulations: the Regulation issued by CONSOB with resolution no. 11971 of 1999 (subsequently amended) regarding Issuers.

Consob Markets Regulation: the Regulation issued by Consob with resolution no. 20249/2017 regarding the markets.

Consob Related Party Regulation: the regulation issued by Consob with resolution No.17221 of 12 March 2010 (as amended) concerning transactions with related parties.

Consob: the Italian Securities and Exchange Commission.

Consolidated Finance Law/TUF: Legislative Decree 58 of 24 June 1998.

Diversity policy/policy: Policy on the composition of the Board of Directors and Board of Statutory Auditors pursuant to paragraph 2, d-bis of Article 123 of the TUF as well as recommendations of the Corporate Governance Code for Listed Companies of July 2018

Executive Committee/: the Executive Committee of Mediaset S.p.A.

Financial Reporting Officer: the Financial Reporting Officer with responsibility for producing the Company's accounting documents of Mediaset S.p.A.

Financial Year / Financial Year 2018: the 2018 financial year.

Group: the Mediaset Group.

Inside Information Procedure: the Procedure for the management and disclosure of inside information of Mediaset S.p.A. which regulates, pursuant to the Market Abuse Regulation, the internal management and disclosure of inside information.

Internal Control and Risk Management System Director: the Director appointed to oversee the functioning of the internal control and risk management system of Mediaset S.p.A..

Internal Dealing Procedure: the Internal Dealing Procedure of Mediaset S.p.A. which regulates, pursuant to the Market Abuse Regulation, the transactions carried out by relevant persons and closely related persons, available on the website www.mediaset.it/investor/governance/internaldealing_it.shtml.

Issuer/Company/Mediaset: Mediaset S.p.A..

Italian Civil Code: the Italian Legal Code containing Company Law.

MAR / Market Abuse Regulation: Regulation no. 596/2014 of the European Parliament and related Implementing Regulations.

Non-Financial Statement: the Consolidated Non-Financial Statement prepared in implementation of European Directive 2014/95/EU, transposed into national law with Legislative Decree no. 254/2016.

Organisational Model: the Organization, Management and Control Model of Mediaset S.p.A., pursuant to Legislative Decree 231/2001, available on the website www.mediaset.it/corporate/impresa/modello231_01_it.shtml.

Related Parties Committee the Related Parties Committee of Mediaset S.p.A.

Related party procedure: the related party procedure, available on the website www.mediaset.it/investor/governance/particorrelate_it.shtml

Report: the report on corporate governance and ownership structure pursuant to Article 123 bis of the TUF.

Shareholders' Meeting: the Meeting of the Shareholders of Mediaset S.p.A..

Shareholders' Meeting: the Meeting Regulation approved by the Shareholders' Meeting of Mediaset on 9 April 2001, available on the website [www.mediaset.it/gruppomediaset/bin/47.\\$split/Regolamento_Assembleare.pdf](http://www.mediaset.it/gruppomediaset/bin/47.$split/Regolamento_Assembleare.pdf).

Supervisory and Control Body: the Supervisory and Control Body appointed by the Board of Directors of Mediaset S.p.A., pursuant to Article 6 of Legislative Decree 231/01.

System: the internal control and risk management system.

The information in this Report refers to the 2018 Financial Year, and some specific matters were updated to 12 March 2019, the date the Report was approved by the Board of Directors, together with the Financial Statements.

1. PROFILE OF THE ISSUER¹

Mediaset is a multinational media group listed on the Milan Stock Exchange since 1996, operating mainly in the television sector in Italy and Spain.

In Italy, Mediaset operates in the sector of *integrated television operations*, which include commercial TV broadcasting with three of the largest Italian generalist networks and an extensive portfolio of free and paid thematic channels (both in linear, non-linear and OTTV modes) with a wide range of content also exclusive, centered on football, cinema, TV series, documentaries and children's channels; Over the last two years, Mediaset has also created a radio broadcasting segment comprising five of Italy's biggest broadcasters.

In Spain, Mediaset is the main shareholder of Mediaset España Comunicación S.A, with an interest of 50.208% at 31 December 2018 (51.63% interest net of treasury shares). Mediaset España is the leading Spanish commercial television broadcaster with two main general interest channels (Telecinco and Cuatro) and a range of free-to-air thematic channels. Mediaset España is listed on the Madrid stock exchange.

Following the completion of the take-over bid to purchase the shares of El Towers S.p.A., Mediaset holds a minority stake of 40% in the share capital of 2i Towers Holding S.p.A., held 100% by El Towers S.p.A., the leading independent tower operator in Italy, engaged in network infrastructure management and the provision of electronic communications services for television and radio broadcasting and mobile transmissions.

Following the agreement reached between Mediaset and Sky Italia during the Financial Year, the Company has expanded its multi-platform coverage of pay, and free-to-view channels, also for Sky Italia

¹ Refer also to the financial statements and to the Mediaset website for the Issuer's profile.

satellite platform customers. The partnership also covers "Pay Operations", the business unit disposed of by Mediaset Premium and relative to: technical maintenance, commercial and other similar areas.

Media and distribution platforms are becoming more and more integrated in response to developments in the advertising market. In the television sector, in particular, competition has led to a proliferation of multichannel and multi-platform offerings, which has influenced advertising as much as production and editorial strategies.

For advertising, different media need to be managed jointly to maximize their viewer reach and leverage information profiling of the various target audience segments. Production and editorial operations, on the other hand, require coordination and synergy for content planning and strategies acquisition.

In this environment, the Mediaset Group has developed an integrated television free-to-air/pay television, linear/non-linear content model, which generates synergies and leverages the know-how gained over the years from producing entertainment, news and analysis programmes, together with the distinctive expertise developed by the Medusa and Taodue subsidiaries in movie distribution and the production of films and television dramas, in addition to the acquisition of sports, film and television series content from third-parties.

Also in keeping with this model is the development of web activities, increasingly oriented towards free online television-based video - with the capacity to rebroadcast and amplify content and supply, as well as launching original products - and the offering of pay videostreaming on demand.

The integrated television model consists of the following main activities:

- content production and third-party acquisition;
- content distribution in linear and non-linear, and free-to-air and pay-per-view format;
- other activities: radio stations, movie production and distribution, teleshopping, publishing activities, licensing and merchandising, foreign advertising concessions under the umbrella of the subsidiary Publieurope.

Mediaset has adopted a traditional administration and control system consisting of the following company bodies: the Shareholders' Meeting, the Board of Directors, the Executive Committee and the Board of Statutory Auditors. In accordance with relative laws in force, accounts are audited by independent auditors listed in the register held by Consob.

The Board of Directors has established, from among its members, three committees with advisory functions: the Compensation Committee, the Control, Risk and Sustainability Committee and the Governance and Appointments Committee.

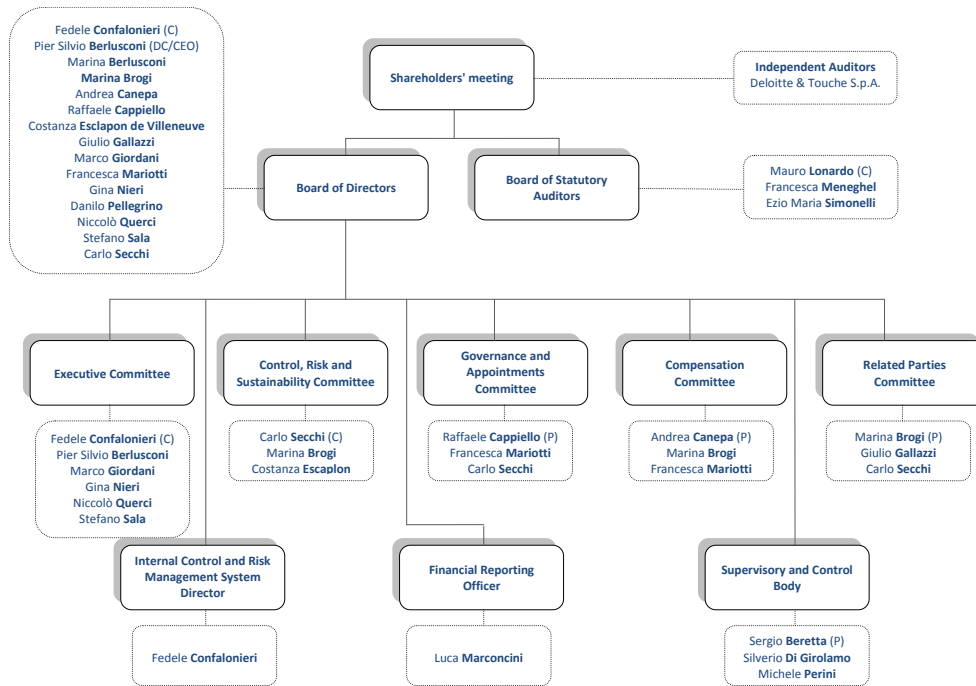
The powers and operations of company bodies and committees are governed by law, by the company's Bylaws, the resolutions passed by competent company bodies, and the principles and criteria set down in the Code of the Stock Exchange on which the company is listed.

The Board also appointed the Financial Reporting Officer², the Internal Control and Risk Management System Director, the Supervisory and Control Body³ and the Related Parties Committee⁴.

²Pursuant to Article 154 - bis of the TUF and Article 29 of the Bylaws.

³ Pursuant to Legislative Decree 231/2001.

⁴Pursuant to Consob resolution no. 17221 of 12 March 2010 as amended.



Following changes in the composition of the FTSE-Mib index, at the close of trading on 21 December 2018, i.e. as from 27 December 2018, the Company has been listed in the FTSE Italia Mid Cap Index.

2. INFORMATION ON OWNERSHIP STRUCTURE AS OF 12 MARCH 2019

Structure of share capital

The share capital of Mediaset S.p.A. is EUR 614,238,333.28 fully paid up and subscribed; it consists of common shares, as shown below:

TABLE 1: INFORMATION ON OWNERSHIP STRUCTURES

STRUCTURE OF SHARE CAPITAL				
	Number of shares	Percentage of Share Capital	Listed / non-listed	Rights and obligations
Ordinary shares	1,181,227,564* (nominal amount EUR 0.52 each)	100%	Borsa Italiana - Italy Mid Cap segment -	Pursuant to Law and the Bylaws

* At 12.03.2019 the company held 44,078,036.00 treasury shares, equal to 3.731% of the share capital, the voting rights of which are suspended in accordance with Article 2357 ter of the Italian Civil Code.

No other financial instruments have been issued with the right to subscribe to new share issues.

No share-based incentive plans have been established that would increase share capital, even without any consideration.⁵

American Depositary Receipts programme

In 2015 Mediaset renewed the ADR (American Depositary Receipts) programme, introduced in 2005 in the US market. The ADR are certificates representing Mediaset shares exchanged in the USA market in accordance with the Level 1 programme. JP Morgan Chase Bank N.A. is the bank depository of the

⁵ The Shareholders' Meeting of 27 June 2018 approved a medium/long-term loyalty and incentive plan for the three-year period 2018-2020 pursuant to Article 114-bis of the TUF based on the Company's own shares. Additional information on the plan is available on the Company's website.

Mediaset ADR. Three common shares traded in the Milan stock exchange correspond to each Mediaset ADR⁶.

Restrictions on the transfer of securities

Pursuant to the Company Bylaws, shares are registered, indivisible and freely transferable. Provisions regarding representation, legitimisation and the circulation of equity investments for securities that are traded on regulated markets are applied.

Significant equity investments in share capital

According to the communications received pursuant to Article 120 of the TUF, as of 12 March 2019 and based on Consob's website, significant equity investments in the share capital of Mediaset S.p.A. were as follows:

RELEVANT SHAREHOLDINGS		
Declarer	Direct Shareholder	% ownership of ordinary capital
Berlusconi Silvio	Fininvest S.p.A.	44,175
Vivendi S.A. (*)	Vivendi S.A.	28,804
Ersel SIM S.p.A. (*)	Simon Fiduciaria S.p.A.	19,193
Mediaset S.p.A. (**)	Mediaset S.p.A.	3,731

(*) On 12 April 2018 Vivendi S.A. announced, as required by Article 120 of the Consolidation Act and in compliance with the Italian Media Authority Decision No. 178/17/CONS, that it had signed a consulting agreement with Simon Fiduciaria S.p.A. and its sole shareholder Ersel Sim S.p.A., relating to the exercise of voting rights for the shares held by the fiduciary company according to the instructions given by Ersel Sim, through its Chairman. Vivendi S.A. has retained the right to give instructions to the trust company on the exercise of voting rights in the shareholders' meeting of Mediaset S.p.A. on topics in relation to which the shareholders who did not take part in the resolution are entitled to exercise the right to withdraw.

(**) without voting rights.

Securities with special rights

No securities with any special control rights have been issued. The Bylaws do not envisage multiple vote shares.

Employee shareholdings: mechanism for exercising voting rights

There is no employee shareholding system with a mechanism for exercising voting rights, other than that established for all other shareholders of the Company.

Restrictions on the right to vote

All ordinary shares that are currently in circulation have voting rights, with the exception of treasury shares held by the Company for which voting rights are suspended pursuant to Article 2357-ter of the Italian Civil Code.⁷

Agreements between shareholders

There are no shareholders' agreements concerning the Company, pursuant to Article 122 of the TUF.

Change of control clauses and provisions of Company Bylaws regarding Public Purchase Offers

As part of its normal business, the Company has loan contracts in place⁸, which provide, as is customary in financial market practice, specific effects on the occurrence of a "change of control" (such as for

⁶ Additional information is available at www.mediaset.it.

⁷ Further information is available in the press release of 26 and 29 October 2018, 27 November 2018 and 25 January 2019 published on the website www.mediaset.it.

⁸ The contract relating to the issue of the bond of 17 October 2013 expired on 24 January 2019

example the repayment or change in the event of a change in control of the Company). However, none of these contracts may be considered significant by itself⁹.

Agreements between the Company and directors

No agreements exist between the Company and directors, as of Article 123-bis, paragraph one, letter i) of the TUF.

Legislation and regulations applicable to the appointment and replacement of Directors and changes to the Company Bylaws

As regards regulations applicable to the appointment and replacement of directors, reference is made to paragraph 4) relative to the Board of Directors. Pursuant to the Company Bylaws and without prejudice to the areas of responsibility of the Extraordinary Shareholders' Meeting, which maintains powers to pass resolutions thereon, the Board of Directors has the power to pass resolutions regarding mergers and demergers in cases established by Articles 2505, 2505-bis and 2506-ter of the Italian Civil Code, the establishment or closure of secondary sites, the appointment of directors to represent the Company, the reduction of share capital in the case of withdrawal of a shareholder and amendments to the Company Bylaws to legal provisions.

Powers to increase share capital and authorisation to purchase treasury shares

No powers to increase share capital pursuant to Article 2443 of the Italian Civil Code, or to issue any financial instruments that would constitute equity investments, have been granted.

The Shareholders' Meeting of 27 June 2018 passed a resolution to grant the Board of Directors the power, also through trading in options or financial instruments, including derivatives, relative to the Mediaset share, to buy up to a maximum number of 118,122,756 ordinary shares of a nominal value of EUR 0.52 each - amounting to 10% of the share capital - in one or more lots, until the approval of the Financial Statements at 31 December 2018 and, in any case, for a period of no longer than 18 months from the date of the relative resolution of the Shareholders' Meeting. The above amount is covered by available reserves as shown in the last approved Financial Statements¹⁰. The purchases shall be carried out in compliance with Articles 2357 and following of the Italian Civil Code, Article 132 of Legislative Decree 58/98, Article 144-bis of the Consob Issuer Regulation, (EU) No 596/2014 of the European Parliament and of the Council of 16 April 2014 and any other applicable regulations and relative EU and Italian implementing rules¹¹.

From the date of the Shareholders' Meeting to date, no treasury shares have been purchased.

Following the merger by acquisition of Videotime S.p.A. with Mediaset, effective as from 1 March 2018, shareholders of Videotime S.p.A. were assigned a quantity of Mediaset shares to meet the Swap Ratio. These ordinary Mediaset shares were made available to Videotime shareholders according to the procedures for dematerialised shares held centrally by Monte Titoli S.p.A. on the date when the merger became effective¹².

In accordance applicable law and based on the medium/long-term incentive and loyalty plan for 2015-2017, the Company transferred the ordinary shares from accrued rights relative to 2015, attributed by this Plan, to the safe custody account of individual recipients¹³.

⁹The Company Bylaws do not provide for any departures from provisions concerning Public Purchase Offers and the passivity rule pursuant to Article 104, paragraph 1 and 1-bis of the TUF, or the application of neutralisation rules pursuant to Article 104-bis, paragraphs 2 and 3 of the TUF.

¹⁰ If derivatives are used – within the limits of the authorisation of 10% of the share capital – the shares underlying the derivatives must not exceed the limit of 5% of the share capital or the limit of 1%, if those shares are used to service the incentive plans.

¹¹ Additional information is available at www.mediaset.it.

¹² Additional information is available at www.mediaset.it.

¹³ Additional information is available at www.mediaset.it.

Therefore, as at 12 March 2019, the Company held 44.078.036 treasury shares, amounting to 3.731% of the share capital.

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

Mediaset S.p.A. is subject to the de facto control of Fininvest S.p.A., as the latter owns 44.175 % of the share capital. On 4 May 2004 Fininvest S.p.A. informed Mediaset that it does not carry out any management and coordination activities, pursuant to Article 2497 et seq. of the Italian Civil Code, regarding Mediaset. The Company acknowledged the notice of Fininvest S.p.A. in the meeting of the Board of Directors of 11 May 2004.

Fininvest's statement is still confirmed by the fact that Mediaset independently sets its own strategy and has full organisational, management and negotiating autonomy, as it is not subject to any steering or coordination of its business operations by Fininvest. Specifically, Fininvest does not issue any directives to Mediaset nor does it provide assistance or technical, administrative or financial coordination on behalf of Mediaset and its subsidiaries.

Pursuant to Article 2497 and following of the Italian Civil Code, Mediaset currently manages and coordinates Mediaset Group companies¹⁴. During the year, it stopped managing and coordinating the company El Towers S.p.A.

3. COMPLIANCE

Mediaset endorses the Corporate Governance Code of Borsa Italiana S.p.A..¹⁵

The Annual Report on Corporate Governance and Ownership Structure is also drawn up on the basis of the "Format for the Report on Corporate Governance and Ownership Structure" (VIII edition - January 2019) issued by Borsa Italiana S.p.A., which adopts the recommendations of the Corporate Governance Code, supplemented by the Corporate Governance Committee in July 2018.

The subsidiary Mediaset España Comunicación S.A., listed on the Madrid, Barcelona, Bilbao, and Valencia Stock Exchanges and on the Spanish electronic stock market - Ibex 35 and its subsidiaries are subject to Spanish Law and to the Spanish corporate governance system.

4. BOARD OF DIRECTORS

4.1 APPOINTMENT AND REPLACEMENT

The appointment and replacement of directors are regulated by Article 17 of the Company Bylaws, included in Attachment A to this Report.¹⁶

Based on the Company Bylaws, lists may only be presented by shareholders who have voting rights and who, either alone or together with other shareholders, represent at least the percentage of subscribed share capital at the time of presenting the list as, from time to time, specified in the notice of Shareholders' Meeting called to resolve on the appointment of the Board of Directors¹⁷.

No other rules apply to Mediaset with regard to the composition of the Board, besides those set out in the TUF, the Consob Issuer Regulation, the Corporate Governance Code for Listed Companies and legal provisions.

¹⁴More specifically with regard to the following companies: Digitalia '08 S.r.l., Elettronica Industriale S.p.A., Mediaset Premium S.p.A., Medusa Film S.p.A., Monradio S.r.l., Publitalia '80 S.p.A., R.T.I. S.p.A., Radio Aut S.r.l., RadioMediaset S.p.A., RMC Italia S.p.A., Radio Studio 105 S.p.A., Radio Subasio S.r.l., Taodue S.r.l., and Virgin Radio Italy S.p.A.

¹⁵The Code is accessible to the public on the website of the Corporate Governance Committee at <http://www.borsaitaliana.it/comitato-corporate-governance/codice/codice.htm>

¹⁶ The Bylaws were last amended by the extraordinary Shareholders' Meeting of 15 December 2017.

¹⁷In compliance with Consob's provisions dated 24 January 2018 with Resolution no. 20273, for 2018 the minimum shareholding required for submitting candidate lists is 1%.

Succession Plans

At this stage, the Board does not deem it necessary to adopt a succession plan for executive directors, given the stable shareholding structure that can ensure swift appointments and the current delegation of powers; the company can count on directors with a long and established experience in running the company and on first-line managers with reliable experience and management skills who can ensure continuity in the company management. Therefore, no succession plans for directors exist.

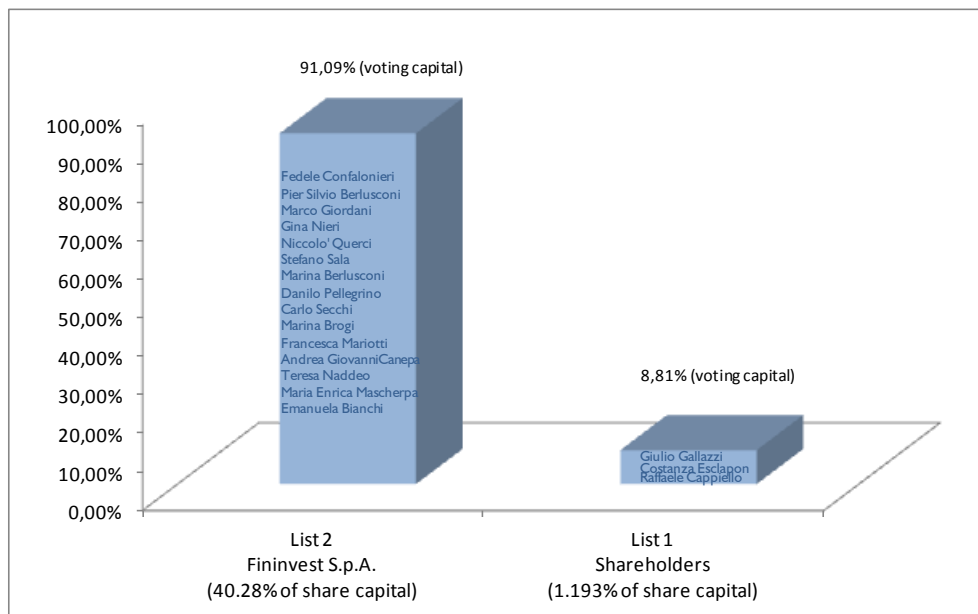
4.2 COMPOSITION

Article 17 of the Company Bylaws establishes that the Company is administered by a Board of Directors consisting of seven to fifteen directors.

Two lists were presented at the Shareholders' Meeting of 27 June 2018 (564,061,021 shares, or 47.75% of the share capital)¹⁸.

As of today, the members of the Board of Directors are¹⁹:

- ✓ Fedele Confalonieri, Pier Silvio Berlusconi, Marco Giordani, Gina Nieri, Niccolò Querci, Stefano Sala, Marina Berlusconi, Marina Brogi, Andrea Canepa, Francesca Mariotti, Danilo Pellegrino, Carlo Secchi, (taken from the majority list no. 2); Raffaele Cappiello, Costanza Esclapon de Villeneuve and Giulio Gallazzi (taken from the minority list no. 1).



¹⁸ The first list was presented by the following shareholders:

ANIMA SGR S.P.A. (Fund Manager: Anima Geo Italia, Anima Iniziativa Italia, Anima Crescita Italia and Anima Star Italia Alto Potenziale), ARCA FONDI S.G.R. S.p.A. (Arca Azioni Italia fund manager), EURIZON CAPITAL SGR S.p.A. (Fund manager: Eurizon Progetto Italia 40, Eurizon Azioni Italia, Eurizon Progetto Italia 70 and Eurizon PIR Azioni Italia, Eurizon Investment SICAV - PB Equity EUR; EURIZON CAPITAL SA (Eurizon Fund - Equity Italy), FIDEURAM ASSET MANAGEMENT (Ireland): (Fonditalia Equity Italy and Fideuram Fund Equity Italy), FIDEURAM INVESTIMENTI SGR S.p.A. (Fund manager: Fideuram Italia and Piano Azioni Italia), INTERFUND SICAV (Interfund Equity Italy), KAIROS PARTNERS SGR S.P.A. (in a capacity as management company of Kairos, International Sicav segments: Target Italy Alpha, Risorgimento and Italy), LEGAL & GENERAL ASSURANCE (Pension Management) Limited, MEDIOLANUM GESTIONE FONDI SGR S.P.A. (Fund manager: Mediolanum Flessibile Futuro Italia, Mediolanum Flessibile Globale e Mediolanum Flessibile Sviluppo Italia) MEDIOLANUM INTERNATIONAL FUNDS (Challenge Funds – Challenge Italian Equity), PLANETARIUM FUND ANTHILIA SILVER, AMBER CAPITAL UK LLP (Fund manager of Amber Active Investors Ltd).

The second list was presented by the shareholder Fininvest S.p.A.

¹⁹ The sixteen members that composed the Board of Directors whose term ended with the Shareholders' Meeting of 27 June 2018 were: Fedele Confalonieri, Pier Silvio Berlusconi, Giuliano Adreani, Marina Berlusconi, Franco Bruni, Mauro Crippa, Bruno Ermolli, Marco Giordani, Fernando Napolitano, Gina Nieri, Michele Perini, Alessandra Piccinino, Niccolò Querci, Stefano Sala, Carlo Secchi, Wanda Ternau. Pasquale Cannatelli handed in his resignation on 25 January 2018.

The curricula vitae of the members of the Board may be consulted on the Company's website and are also shown in Attachment B to this report.

DIVERSITY CRITERIA AND POLICIES

On 24 April 2018, the Board approved the adoption of a Diversity Policy. The Governance and Appointments Committee and the Control and Risks Committee, the latter having advisory functions in the area of sustainability, were involved in the adoption of the Policy on Diversity and both expressed prior favourable opinion to the Board regarding the Policy. The Policy is in Attachment C to this Report.

On 24 April 2018, the Board, also considering the assessments made following the outcome of the previous self-assessment, and in line with the Policy, established its own guidelines on the dimension and composition of the board, to notify to shareholders in view of renewal of its term of office scheduled for the Shareholders' Meeting of 27 June 2018. In brief, from a quantitative point of view, the Board of Directors considered that the number of members must be adequate for the size and complexity of the organizational structure of the company and the Group; as regards the composition, it hoped shareholders would consider the reduction in the number of executive directors, increasing the number of independent and women directors, and that a set of diverse, complementary skills and expertise would be represented on the board. Lastly, the Board hoped for a balanced combination of different lengths of service and age groups, to cater for the need to have management continuity and renewal, and benefit from different points of view and experiences that characterize a greater or lesser length of service and individual age brackets.

On 19 February 2019, during its self-assessment²⁰, the Board noted that the current composition with the new directors appointed by the Shareholders' Meeting met these recommendations in full, attaining the objectives in the Policy on diversity.

Maximum number of positions held in other companies

On 24 March 2015, the Governance and Appointments Committee confirmed the preference already expressed on 11 March 2008 regarding the maximum number of director or statutory auditor positions compatible with an efficient performance of the mandate. In particular:

- an executive director should not hold:
 - I. the position of executive director in any other listed company, either Italian or foreign, or in a finance, banking or insurance company, or in large-sized companies (with shareholders' equity of more than EUR 10 Billion);
 - II. the position of non-executive director or statutory auditor, or member of another control body, in more than five listed companies, either Italian or foreign, or in finance, banking or insurance companies, or in large-sized companies (with shareholders' equity of more than EUR 10 Billion);
- a non-executive director should not hold:
 - I. the position of executive director in more than three listed companies, either Italian or foreign, or in finance, banking or insurance companies, or in large-sized companies (with shareholders' equity of more than EUR 10 Billion) and the position of non-executive director or statutory auditor, or member of another control body, in more than five listed companies,

²⁰ See paragraph 4.3

either Italian or foreign, or in finance, banking or insurance companies, or in large-sized companies (with shareholders' equity of more than EUR 10 billion).

- II. the position of non-executive director or statutory auditor, or member of another control body in more than ten listed companies, either Italian or foreign, or in finance, banking or insurance companies, or in large-sized companies (with shareholders' equity of more than EUR 10 Billion).

The acceptance of a position, for all directors of the Company, requires their prior evaluation as to the possibility of being able to dedicate the time needed to diligently carry out the high-level duties entrusted to them and undertake consequent responsibilities. This means taking into account, among other things, the number of positions held as director and/or statutory director in other companies listed on regulated markets (including foreign markets), and in finance, banking or insurance companies, or in large-sized companies.

Positions held in Mediaset and companies of the Mediaset Group are excluded from limits on the number of positions held.

If the above limits are exceeded, directors shall promptly inform the Board, which will evaluate the situation in the light of the Company's interests and request the director involved to take ensuing decisions.

Annually and based on information received from each director, the Board of Directors identifies the positions held as director and/or statutory auditor in other companies, as per Attachment D to this Report.

Induction Programme

Consistently with Company practice, in order to enhance the awareness of all directors and statutory auditors of the Company's dynamics and reality and encourage greater knowledge of the Company's sector of activity, and of the regulatory and self-regulatory framework, several meetings were held during the Financial Year, aimed at discussing in depth specific business and corporate governance topics, through a structured Induction programme also with the support of external consultants.

During 2018, the Directors took part in Induction sessions, involving management (Broadcasting Rights, Legal Affairs, Personnel, Organisation and Technologies, Corporate Affairs, Strategic Marketing, Internal Auditing, Administration, Finance and Business Development, Investor Relations and Consolidated Accounts, Accounting Principles and Risk Officer) addressing issues concerning governance, organisation and internal control, as well as the business, in order to explain the sector in which the company operates, oversight and company dynamics.

The 2018 Induction programme was further consolidated to facilitate new incoming directors. Induction sessions were held on the company business, market trends, management of relations with the financial market as well as an introduction to the Mediaset Financial Statements (structure and valuation) (from 2016 to the current Financial Year) and the Non-Financial Statement.

The statutory auditors of the company were invited to attend all the above meetings.

The Board of Directors and Board of Statutory Auditors are informed at all times of main laws and regulations concerning the Group and any legal developments occurring during the Financial Year, by the Corporate Affairs Department, also in specific induction sessions. In addition, independent directors had the chance to take part in a training programme organised by Assogestioni on the "board of statutory auditors and control and risk committee: synergies and divergences".

The Company organised the annual “Strategy Day”, preceded by Market Workshop sessions, dedicated to market developments and challenges for broadcasters in an integrated video/television context, attended by directors and auditors, all first-line management of Mediaset, including executive directors of main subsidiaries, and external consultants.

The Company has already scheduled more induction sessions for 2019²¹.

4.3. THE ROLE OF THE BOARD OF DIRECTORS

The Board of Directors is the collective body of the Company responsible for its management. The Board plays a key role in the Company’s organisation; the functions and responsibilities for strategic and organisational guidelines fall under its supervision as well as the controls necessary to monitor the Company’s and the Group’s performance. The system of delegation of powers is such that the central role of the Board is maintained within the Company’s organisation. The powers provided by the law and by Article 23 of the Bylaws belong to the Board²². In addition, the Board performs the activities assigned to it by the Code.

The Board meets on a regular basis, observing the deadlines established by law and a working calendar. It is organised and operates in such a way as to guarantee it perform its functions effectively and efficiently.

The Board met thirteen times during the Financial Year. The average duration of each meeting was about 1.5 hours. The overall percentage of directors attending during the Financial Year was approximately 90%, while the percentage of independent directors attending was approximately 94% overall²³.

The Board devoted to the topics in the agenda the time required to allow a constructive debate, encouraging the input of the individual directors.

Three board meetings were held in 2019 and four more have been scheduled and notified to the market, to approve the financial statements for the respective periods²⁴.

The Chairman ensures timely and complete information is given to directors prior to board meetings; parties concerned receive documents about items on the agenda, in the days immediately before the scheduled date of the Board Meeting (usually 4 days before), so they have useful elements enabling them to participate effectively in the proceedings of the Meeting. This documentation is also made available through electronic media provided to the directors and statutory auditors at each meeting, enabling the use of documents in electronic format. For this purpose, the Chairman is assisted by the Secretary of the Board of Directors. In relation to the meetings held in 2018, the 4-day deadline was complied with, except in cases of urgency or when special confidentiality requirements were to be met. In these circumstances, the Chairman made sure that adequate and detailed analyses were carried out during Board meetings, encouraging the directors to take part in the discussion and the Committees to contribute to the decisions.

²¹ A meeting on “Advertising – Strategy, Implementation and Business results (2017 London Plan)” has already been held, and the following induction sessions, to fully review the company’s core business, have been scheduled for the first half of the year: Mediaset News – General Management IT; Big Data; Cologno Monzese Production Centre – “Striscia la Notizia” and Palatino Roma Production Centre – “TG5”.

²² The Board of Directors may, pursuant to the Company Bylaws, appoint one or more Deputy Chairmen and delegate all or part of its powers to one or more of its members, including the Chief Executive Officer, without prejudice to the provisions in Article 2381 of the Italian Civil Code and Article 23 of the Company Bylaws, and may also appoint an Executive Committee to which its powers can be delegated, except those falling within the exclusive responsibility of the Board. The Board of Directors may also establish other Committees, comprising persons that are not necessarily Board members, defining their duties, powers, compensation, if any, composition and operating procedures.

²³ The percentage of each director attending Board Meetings is shown in Attachment D to this Report.

²⁴ In this regard, Mediaset has published a calendar, which is available on the Company’s website.

The Board has taken appropriate measures regarding the organization of board meetings, also in light of the additional measures to ensure confidentiality of inside information introduced by the European regulatory provisions on market abuse.

Information to the Board was facilitated by the establishment of the "Mediaset BoD Portal" on which the documents related to the meetings of the Board and its committees can be made available to the directors and the statutory auditors through secure access by browser from a device connected to the internet. The "Mediaset BoD Portal" also provides access to the document kit, the Group press review, the Communication Library and the Info Stock section, dedicated to the performance of Mediaset shares, and Info Advertising, dedicated to the Strategic Market with a focus on competition in the Total Video and in Total Audience.

The Chairman encourages the involvement of company executives responsible for company departments in Board Meetings, so they may give board members appropriate in-depth information to fully understand items on the agenda. In 2018, the following company executives took part in Board meetings: the Financial Reporting Officer and the Head of Consolidated Accounts, Accounting Principles and Risk Officer, the Head of the Communication and Image Department, the Head of the Legal Affairs Department and the Head of the Corporate Affairs Department (who also acts as Secretary of the Board). For an optimal participation of Directors, meetings prior to Board meetings were held.

During the year, the Board unanimously carried out the following activities:

- examined and approved the strategic, industrial and financial plans of the Company and the Group and periodically monitored their implementation;
- defined strategic objectives, the nature and level of risk compatible with them, and monitored their implementation during the year; based on the above, it examined and approved the three-year economic/financial forecasts of the Group;
- reviewed the adequacy of the organisational, administrative and general accounting arrangements of the Company and subsidiaries with strategic relevance, with particular reference to the internal control system and risk management. This review, with a positive outcome, was supported by specific explanatory reports, relative to the different operational and control structures of the companies, drawn up by delegated bodies;
- positively reviewed the general progress of operations, specifically taking into account information from the Executive Committee, Chairman, Deputy Chairman and Chief Executive Officer, Control, Risk and Sustainability Committee, and periodically comparing actual and planned results;
- examined and approved, in advance, all operations that were significant from a strategic, economic and financial viewpoint for the Company and its subsidiaries and, specifically, related-party transactions;
- defined the Company's Policy for the compensation of directors and key managers, on the proposal of the Compensation Committee;
- reviewed the functioning of the Board and its committees;
- based on reports from entities appointed to supervise the internal control and risk management system, the Supervisory and Control Body and after consulting with the Control, Risk and Sustainability Committee, reviewed the internal control and risk management system, which in overall terms is adequate and effective for the business and risk profile of the Company;
- after consulting with the Control, Risk and Sustainability Committee, the Board of Statutory Auditors and Internal Control and Risk Management System Director, approved the work plan

prepared by the Internal Audit Function; it also reviewed the Internal Audit Function's Report on its activities carried out during the Financial Year and considered the resources assigned to the Function as appropriate;

- after consulting with the Board of Statutory Auditors and the Control, Risk and Sustainability Committee, it took note of the additional Report from the independent auditors in favour of the Board of Statutory Auditors in its capacity as Audit Committee. It approved the interim financial reports. On these occasions, the Board was given information on the results achieved, compared with historical data and budget objectives;
- after hearing the recommendations of the Compensation Committee, it approved a loyalty and medium/ long-term incentive plan for the three-year period 2018-2020, pursuant to Article 114-bis of TUF; this plan was approved by the Shareholders' Meeting of 27 June 2018.

Lastly, on 12 March 2019, the Board, among others:

- approved the Non-Financial Statement²⁵ at 31 December 2018;
- reviewed the Compensation Report concerning directors and Key Management Personnel for the 2019 financial year;
- approved by a majority the proposal to amend article 7 of the Bylaws, concerning multiple-share votes, pursuant to Article 127 of the Consolidated Finance Law.

Self-assessment of the Board of Directors

Since 2006, the Board has annually carried out the self-assessment process in accordance with the provisions of the Code. In this process, the number of board members and operation of the Board and its committees are assessed, as well as the directors' contributions to Board activities. As in prior years, in 2018 the Board carried out the self-assessment process.

On the proposal of the Governance and Appointments Committee and taking into account the positive experience of recent years, the Board considered it appropriate to perform the self-assessment using the same procedures adopted in previous years, by relying on the support of the Advisor Spencer Stuart (a company specializing in the sector which has no other professional or commercial relations with the Company and with other Group companies) to continue the work carried out.

The self-assessment process started with the preparation of a guide to support the discussion among the directors, which took place during a meeting held on 5 February 2019; said meeting was attended by the majority of the directors in office (13 out of 15), including the Chairman, the Deputy Chairman and the Chief Executive Officer, with the presence of the Advisor Spencer Stuart as facilitator of the process²⁶.

During the meeting some specific aspects were analysed including:

- the topics identified in the prior self-assessment;
- the operation of the Board as a whole;
- the recommendations of the Corporate Governance Committee of 21 December 2018;
- the size and composition of the Board.

The results of the self-assessment process are summarized below.

Board Directors expressed a positive opinion on the effectiveness of actions carried out by the Company in the Financial Year to improve some specific operating aspects of the Board which came to light during the previous self-assessment. In particular, they were in favour of the format, times and overall

²⁵ In compliance with new provisions of Directive 2014/95/EU implemented into Italian legislation by Legislative Decree no. 254/20166 and available on the website www.mediaset.it.

²⁶ The Directors who were unable to attend the meeting were given the opportunity to express their thoughts to the Committee or to Spencer Stuart's representatives. Absent board directors did not take up this opportunity.

usefulness of the induction sessions organised by the Company for new Directors; they were also in favour of meetings prior to Board meetings to examine issues of particular significance, the prompt involvement of and valid contribution from Directors in main decisions taken by the Board of Directors, the focus on corporate governance issues, including the management of related party transactions, disclosure on shareholder relations and the organisation of the Strategy Day. These activities were adopted by the Company, to the satisfaction of Directors; management provided in-depth, transparent replies and was willing to further investigate issues.

All Directors consider the work climate to be positive, and activities take place effectively, with everyone's contribution based on respective experience and expertise. The frequency and duration of Board and Committee meetings are considered adequate, also considering the other opportunities to exchange information. The work of Board Committees was considered useful and thorough. At the end of intense, lively debate, the Directors confirmed their appreciation of how the Board operates.

As regards size and composition, the current Board, in line with the Diversity policy, comprises 15 Directors, which is a number considered adequate and which allows for effective debate and engagement within the Board. A diversity of expertise is represented with different professional positions, useful for a thorough review of the various issues the Board is required to consider. During the meeting, the "Main areas for improvement identified in 2018", contained in the letter of the Corporate Governance Committee were reviewed; Directors contributed opinions concerning these areas for improvement, confirming the adequacy of measures adopted by the Board; more details on each of the four areas are given in chapter 18²⁷.

In brief, the following actions were suggested by the Board to continue the improvement process:

- organization of the 2019 Strategy Day, with in-depth analysis and updating, overseen by Top Management, of strategic alternatives and of the approach of main competitors at an international level;
- analysis of strategic alternatives, in meetings organised by the Deputy Chairman and Chief Executive Officer with non-executive Directors;
- ensuring continual information exchange between Management and the Board, with meetings held prior to Board meetings to ensure executive and non-executive directors are fully informed;
- confirming the current practice whereby Independent directors may take part in meetings of Committed they are not members of, if issues of particular interest are discussed.

Article 2390 of the civil code

The Shareholders' Meeting has not authorised any departures from the prohibition on competition established by Article 2390 of the Italian Civil Code.

4.4 DELEGATED BODIES

The Chairman

Traditionally, the Chairman is appointed by the Shareholders' Meeting. The Shareholders' Meeting of 27 June 2018 confirmed Fedele Confalonieri as Chairman of the Company.

At its meeting of 28 June 2018, the Board of Directors assigned to the Chairman²⁸ all ordinary and extraordinary administration powers within a maximum limit of EUR 15,000,000.00 for an individual

²⁷ considerations on the letter of 21 December 2018 of the Chairman of the Corporate Governance Committee

²⁸ On 27 July 2018, the Board of Directors accepted Fedele Confalonieri's wish to terminate his contract of employment as an executive on 31 July 2018, while remaining in office and without changing the organisational structure and powers granted to him.

transaction, except those under the exclusive jurisdiction of the Board of Directors and Executive Committee.

Pursuant to the Company Bylaws, the Chairman represents the Company.

Board members are required to know the duties and responsibilities of their position. The Chairman ensures that the Board is constantly kept informed on the main changes in laws and regulations that concern the Company, also in collaboration with the Corporate Affairs manager and the Board's secretary.

The Chairman coordinates the activities of the Board of Directors and chairs the Board Meetings. The Chairman, or person acting on his behalf, convenes Board Meetings.

Deputy Chairman and Chief Executive Officer

In the meeting of 28 June 2018, the Board of Directors appointed Pier Silvio Berlusconi as Deputy Chairman and Chief Executive Officer, giving him all powers of ordinary and extraordinary administration within a maximum limit of EUR 15,000,000.00 for an individual transaction, except those under the exclusive jurisdiction of the Board of Directors and Executive Committee. Pursuant to the Bylaws, the Deputy Chairman and Chief Executive Officer has the power to represent the Company²⁹.

The Board of Directors unanimously considered that the above division of powers to the Chairman and the Deputy Chairman and Chief Executive Officer best meets the needs of organisational efficiency as evidenced by the historical collaboration between the two roles which did not generate any conflict.

Executive Committee

At its meeting of 28 June 2018, the Board of Directors appointed the Executive Committee which consists of six members who will remain in office for the duration of the mandate of the Board, appointing as members by right, besides the Chairman Fedele Confalonieri and the Deputy Chairman and Chief Executive Officer Pier Silvio Berlusconi, the directors Marco Giordani, Gina Nieri, Niccolò Querci and Stefano Sala.

The Board assigned to the Executive Committee all powers of ordinary and extraordinary administration within the maximum limit of EUR 130,000,000.00 for an individual transaction, excluding the matters under the exclusive jurisdiction of the Board.

In 2018, the Committee met eight times and systematically involved the Company's executives responsible for the pertinent departments. The average duration of the meetings was about one hour.

As a rule, all members of the Board of Statutory Auditors participate in Committee meetings.

The percentage of each director attending Committee meetings is shown in Attachment C to this Report.

²⁹ Pursuant to the Bylaws, the Deputy Chairman replaces the Chairman if the latter is absent or incapacitated. The actual exercising of the power of representation by the Deputy Chairman indicates per se the absence or impediment of the Chairman and exonerates third parties from any verification or responsibility thereof.

Reporting to the Board of Directors

In compliance with laws and the Company Bylaws, the Board of Directors and Board of Statutory Auditors are informed of the activities carried out, operations, their outlook, and the most important strategic, economic, balance sheet, and financial operations carried out by the Company or subsidiaries.

During Board Meetings, each item is reviewed thoroughly, to enable the directors to make an informed decision on the matters under discussion.

Information on the delegated activities is constantly reported by the delegated bodies to the Board of Directors and the Board of Statutory Auditors during board meetings, in accordance with the methods provided by the Bylaws and by the legislation in effect. During the first available board meeting, the Chairman, Deputy Chairman and Chief Executive Officer, Executive Committee, directors with special assignments, and, more generally, the delegated bodies report to the Board of Directors and Board of Statutory Auditors on the progress of the projects assigned to them and of the activities performed when fulfilling the mandates assigned to them, as provided by the Bylaws.

4.5. OTHER EXECUTIVE DIRECTORS

In addition to the Chairman and the Deputy Chairman and Chief Executive Officer, the following four executive directors are members of the Board:

Marco Giordani	Central Manager of Administration, Finance, Control, and Business Development of Mediaset S.p.A., Chief Executive Officer of RTI S.p.A., Chairman of Mediaset Premium S.p.A., Chairman of Monradio S.r.l., Chairman of RadioMediaset S.p.A and Chairman of Radio Virgin Italy S.p.A.
Gina Nieri	Manager Institutional and Legal Affairs and Strategic Analysis Department of Mediaset S.p.A. and Deputy Chairman of RTI S.p.A.
Niccolo' Querci	Central Manager of Human Resources and Operations of Mediaset S.p.A., Deputy Chairman of RTI S.p.A., and Deputy Chairman of Publitalia '80 S.p.A.
Stefano Sala	Chief Executive Officer of Publitalia '80 S.p.A., Chief Executive Officer of Digitalia '08 S.r.l., Chief Executive Officer of Pulieurope Limited and Deputy Chairman of Mediamond S.p.A.

4.6. INDEPENDENT DIRECTORS

The seven independent Directors appointed by the Shareholders' Meeting of 27 June 2018 are: Marina Brogi, Andrea Canepa, Raffaele Cappiello, Costanza Esclapon de Villeneuve, Giulio Gallazzi, Francesca Mariotti and Carlo Secchi.

At its meeting of 28 June 2018, the Board assessed the independence of its directors pursuant to Article 147 ter of the TUF and of the Code on the basis of the statements provided by the concerned parties and considered that the directors Marina Brogi, Andrea Canepa, Raffaele Cappiello, Costanza Esclapon de Villeneuve, Giulio Gallazzi and Francesca Mariotti meet the independence requirements set forth in Article 148, paragraph 3 of the TUF, as well as the independence requirements envisaged by the Code. With regard to the latter requirement, it is pointed out that the Board recognised the director Carlo Secchi as independent director, although he has held the office of director of the Company for over nine years during the past twelve years, in consideration of the independent judgement that he displays continuously and of his professional qualities.

The Board assesses the independence of its non-executive members paying attention more to the substance than to form and taking into account that normally a director does not appear independent in the cases contemplated by the Code.

Each independent director has undertaken to communicate promptly to the Board the occurrence of situations that cause the requirement not to be satisfied.

The Board of Directors periodically reviews the independence of the directors, also assisted by the Governance and Appointments Committee. During the meeting of 18 December 2018, the Board of Directors, with the favourable opinion of the Governance and Appointments Committee, ascertained that the director Francesca Mariotti met the requirements of independence, even though she has married an employee of Fininvest S.p.A.

The Board of Statutory Auditors has verified the correct application of the verification criteria and procedures adopted by the Board of Directors to assess the independence of the directors during the Financial Year.

The number of Independent Directors and their expertise are appropriate for the size of the Board and operations carried out by Mediaset, and are such as to enable Committees to be established within the Board of Directors, as described in full in this report.

The Chairman operates so that the Board, as a whole, is updated on an ongoing basis and during board meetings on main legal and regulatory developments concerning the Company; this occurs regularly during the Board meetings. It is a consolidated practice for the Independent Directors to periodically meet with the Chief Financial Officer and management of the Company and its subsidiaries to provide an overview of the Group's structure and knowledge of its business operations, in order to further investigate specific economic, financial and corporate governance issues. As a rule, all members of the Board of Statutory Auditors participate in these initiatives.

During the Financial Year, the independent directors participated in various initiatives³⁰ intended to inform them on the main aspects of the Company's activities and to increase their knowledge of the Company's dynamics.

Independent Directors' Meeting

Independent Directors' meetings were convened and held, without other directors, twice in the year, on 14 February and 13 December, and once during in the current year, on 5 February 2019.

4.7 LEAD INDEPENDENT DIRECTOR

The Board decided not to implement the recommendation of the Code that provides for the office of "lead independent director," as the prerequisites for this office are not in place. At their meeting of 5 February 2019, the independent directors deemed the appointment of a Lead Independent Director unnecessary in consideration of the current arrangement of delegated powers.

The current corporate governance structure guarantees not only constant information flows to all executive and non-executive directors, both independent and non-independent, but also the broad-ranging and proactive involvement of all directors in the operations of the Company.

5. THE PROCESSING OF COMPANY INFORMATION

Since 3 July 2016, provisions on market abuse have been in force. The provisions constitute a complex - and, for some aspects, innovative - regulatory framework on insider trading and market manipulation. The main changes concerned, inter alia, the extension of the concept of inside information and the regulation of delay, the Insider List and managers' transactions.

³⁰ Can be consulted at chapter 4.2 Composition - "Induction Programme".

The Board has been constantly updated on changes in the legal framework and has taken measures to protect the areas affected by the MAR by adopting specific procedures.

Inside information

The Inside Information Procedure was adopted pursuant to the Market Abuse Regulation, to comply with the laws and regulations in force, also at European level, on the abuse of inside information.

On 13 November 2018, with the favourable opinion of the Control, Risk and Sustainability Committee, the Board approved the update to the Inside Information Procedure³¹, supplemented with the process to manage Significant Information, in keeping with Consob Guidelines issued on October 2017, formalising practices already in use and already monitored by competent functions as regards Significant Information.

The Inside Information Procedure governs the internal management and disclosure to the public of inside information regarding the Company and its subsidiaries, as well as the functioning of the "Register of persons having access to inside information". The Inside Information Procedure is an essential component of the internal control and risk management system of Mediaset and forms part of the rules and regulations adopted by Mediaset pursuant to Legislative Decree 231/01 with the aim of preventing the commission of offences.

The Inside Information Procedure applies to directors, statutory auditors, employees of the Company and its subsidiaries, as well as to external parties acting in the name and on behalf of the company and its subsidiaries - with the exception of the listed subsidiary Mediaset España Comunicación S., required to keep its own Insider List and to comply with related obligations and disclosures to the relevant market.

The directors and statutory auditors of the Company and, in general, all other recipients of the aforesaid Inside Information Procedure are required to keep all documents and information that come to their knowledge when carrying out their duties strictly confidential, with particular reference to inside information. Disclosure to the authorities and public takes place according to the deadlines and procedures set forth by the laws in force, in compliance with information parity and the above cited procedure.

The Company distributed the Inside Information Procedure to its own and its subsidiaries' employees, also publishing it on the company intranet and continued to train competent units on the process to manage significant/inside information.

The Chief Financial Officer of the Company, instructed by the Board, constantly monitors the application of the Inside Information Procedure, periodically reporting to the Control, Risk and Sustainability Committee, and its updated status, assisted by relevant internal functions and taking into account best practices in the area.

Internal dealing

On 28 February 2017, on the proposal of the Control, Risk and Sustainability Committee, the Board approved the new institutional "Internal Dealing" Procedure pursuant to the Market Abuse Regulation. The Internal Dealing Procedure is intended to regulate the transactions carried out, including through third parties, by relevant persons and closely related persons, as identified by the aforementioned

³¹ The Company carried out assessments, gap analysis and the mapping of significant information flows intended to identify any opportunities to improve the inside information management process. Analyses identified that the process to manage and disclose inside information is effectively monitored, correctly set out and formalised in a process/procedure that clearly identifies roles and responsibilities, in compliance with Regulation (EU) and the Consob Issuer Regulation.

regulations, as well as the obligations, terms and methods of publication of transactions performed by the said parties on the Company's financial instruments.

More specifically, the "Internal Dealing Officer" was identified in the Corporate Affairs Department of Mediaset who is charged with receiving, managing and disclosing communications to the market.

Relevant persons are required to forward to the Internal Dealing Officer, according to a specific procedure, the information on transactions carried out in order to comply with the obligations established by the legislation in force.

As instructed by the Board, the Chief Financial Officer of the Company constantly monitors the application of the Internal Dealing Procedure, periodically reporting to the Control, Risk and Sustainability Committee, and its updating status, making use of the relevant internal functions and taking into account the best practices in the area, in order to ascertain its effectiveness.

Lastly, in compliance with the Market Abuse Regulation and the Internal Dealing Procedure, the prohibition was introduced for relevant persons to carry out transactions within the 30 calendar days preceding the announcement of the annual financial statements and the half-yearly financial report published by the company pursuant to law or on a voluntary basis (Black Out Periods).

In compliance with Consob recommendations, the Company has created a specific section "Internal dealing" on its website, where the Institutional Internal Dealing Procedure may be consulted.

6. BOARD COMMITTEES

The Board of Directors³² established the following internal committees, all with advisory functions:

- the Control, Risk and Sustainability Committee was assigned the responsibilities of the Code by the Board on 28 June 2018; duties to "supervise sustainability issues related to business operations and interaction with shareholders" were also assigned to the committee;
- the Board meeting of 28 June 2018 confirmed the Compensation Committee the responsibilities assigned to it in on 20 December 2011;
- the Governance and Appointments Committee retained existing responsibilities, that are appropriate for guaranteeing updates to governance rules as well as their adequacy, implementation and enforcement, in addition to the responsibilities contemplated by the Code for the Nominations Committee.

The Committees established within the Board have investigative and/or advisory duties regarding aspects requiring further examination, in order to exchange actual and informed opinions. The establishment and operation of the Board of Director's internal committees satisfy the Code's criteria.

In carrying out their functions, the Committees may access the information and company functions necessary to perform their duties, and may be assisted by external consultants at the Company's expense, within the limits of the budget approved by the Board of Directors.

The Committees, which report on a timely basis to the Board on the activities carried out, have adopted their own operating regulations, in accordance with the new provisions regarding board meetings shared by the Board of Directors and extended to all Committees, and a calendar of meetings scheduled for each Financial Year. The regulations of the Committees were approved by the Board.

³² Pursuant to the Company Bylaws, the Board of Directors may establish Committees, also comprising persons who are not Board members, identifying their duties, powers, compensation and number. The Committees, if comprising persons who are not Board members, only have advisory powers.

When adopting the procedure to regulate transactions with related parties (addressing Consob's requirements) the Board established a Related Parties Committee³³; the latter is asked to express specific opinions regarding transactions with related parties carried out by the Company, either directly or through subsidiaries, in the cases indicated and in accordance with the methods required by the above-mentioned procedure.

7. GOVERNANCE AND APPOINTMENTS COMMITTEE

The Governance and Appointments Committee³⁴ includes three non-executive, independent directors whose term in office lasts until the end of the mandate of the entire Board of Directors.

Raffaele Cappiello	Chairman - Independent Director
Francesca Mariotti	Independent Director
Carlo Secchi	Independent Director

The Committee met five times in 2018. Minutes were taken of all meetings. The Manager of the Corporate Affairs Department, appointed as Committee Secretary, attended the meetings. In the days preceding meetings, sufficiently in advance of the meeting, the Secretary, as agreed with the Committee Chairman, sends to the Governance Committee members all available documents and information on items on the agenda. The average duration of each meeting is about one hour. The percentage of each director attending Committee meetings is shown in Attachment D to this Report. Six meetings have been scheduled for the 2019 financial year and two of them have already been held.

As a rule, all members of the Board of Statutory Auditors take part in the meetings, and the managers of specific company departments and external consultants may be invited to attend by the Committee Secretary, to explain particular issues.

The Committee members are given a fee for attending each meeting, in the amount set by the Shareholders' Meeting of 27 June 2018.

Functions and activities of the Governance and Appointments Committee

The Board attributed the Committee the responsibilities of Governance Committee and the responsibilities of Appointments Committee established by the Code. Specifically, it carries out the following:

- monitor compliance with and the periodic updating of corporate governance rules and compliance with the principles of conduct adopted by the Company, reporting to the Board of Directors;
- propose procedures and deadlines for the annual self-assessment of the Board of Directors;
- review, in advance, the contents of the Annual Report on Corporate Governance and Ownership Structures;
- assist the Board in evaluating whether Independent Directors meet requirements for independence, on an ongoing basis.
- give to the Board of Directors opinions on the size and composition of the Board, and recommendations on the types of professional positions considered appropriate to sit on the Board, as well as the maximum number of positions as director or statutory auditor compatible with being able to effectively fulfil the mandate of director of the issuer, and on any departures from the prohibition on competition established by Article 2390 of the Italian Civil Code;

³³ Previously called the Committee of Independent Directors for Related-Party Transactions. See chapter 12 Interests of Directors and Transactions with Related Parties in the section "Committee of Independent Directors for Related Party Transactions".

³⁴ The previous Governance and Appointments Committee, whose term of office ended with the Shareholders' Meeting of 27 June 2018, consisted of Carlo Secchi (Chairman), Michele Perini and Wanda Ternau, all independent directors.

- propose to the Board candidates to the office of director in the case that directors need to be co-opted, when it becomes necessary to replace independent directors.

During 2018, the Committee carried out its activities; among others, it:

- examined the report on the Board Performance Evaluation for the 2017 financial year;
- expressed a favourable opinion on the Board adopting the Diversity policy for the Board of Directors and Board of Statutory Auditors;
- carried out differential analysis on compliance regarding the letter of 13 December 2017 of the Chairman of the Corporate Governance Committee of Borsa Italiana, based on which governance of the Company was aligned overall with the recommendations provided;
- reviewed the "2017 Report on corporate governance and ownership structure".

Since its appointment, on 28 June 2018, the Committee has:

- approved its Regulations;
- reviewed and noted updates to the Corporate Governance Code for Listed Companies - July 2018 edition;
- considered the issue of the status of independent director of the Board Director Francesca Mariotti, following notification to the company that she had married an employee of Fininvest S.p.A. who does not have key management duties nor holds positions in Fininvest S.p.A. or its subsidiaries; After carefully analysing the application criteria of the Corporate Governance Code for Listed Companies, the Committee expressed a favourable opinion on the status of the Director, based on her proven financial and professional independence enabling her to continue to adopt an independent conduct and make independent judgements. The Committee proposed to the Board that it certified the director in question continued to meet independence requirements;
- prepared, with the support of Spencer Stuart, a company specialised in the sector, the methods and items covered by the Board's self-assessment process for the Financial Year.

During 2019, the Committee:

- reviewed the Report on Board Performance Evaluation for 2018, which included a review of the letter of 21 December 2018 of the Chairman of the Corporate Governance Committee of Borsa Italiana;
- reviewed the "2018 Report on corporate governance and ownership structure";

The Committee Chairman informs the Board of the meetings held at the first available Board meeting.

When fulfilling its functions, the Committee had full access to the information and corporate departments of the Company and/or Group needed for the purpose, with the assistance of the secretary.

The Committee is given funding of EUR 100 thousand per annum for expenses related to its duties.

The Committee members are given a fee for attending each meeting, in the amount set by the Shareholders' Meeting of 27 June 2018.

8. COMPENSATION COMMITTEE

The Compensation Committee³⁵ consists of three independent, non-executive directors who remain in office until the term of office of the entire Board ends. Committee members include experts in accounting and financial matters.

Andrea Canepa	Chairman - Independent Director
Marina Brogi	Independent Director
Francesca Mariotti	Independent Director

No directors concerned took part in meetings of the Compensation Committee, when proposals to the Board of Directors concerning their compensation were discussed.

The Committee met six times in 2018. Minutes were taken of all meetings. The average duration of each meeting is about one hour. The percentage of each director attending Committee meetings is shown in Attachment D to this Report. Seven meetings have been scheduled for the 2019 financial year and three of them have already been held.

The Chairman of the Board and/or other designated members attend Committee meetings, as well as the Manager of the Corporate Affairs Department, in a capacity as Committee Secretary; the managers of specific company departments are invited to attend to illustrate specific topics.

The Committee members are given a fee for attending each meeting, in the amount set by the Shareholders' Meeting of 27 June 2018.

Functions and activities of the Compensation Committee

The following responsibilities of the Compensation Committee were confirmed by the Board:

- to periodically review the adequacy, overall consistency and actual application of the general policy adopted for the compensation of the Chairman, Deputy Chairman and Chief Executive Officer, and Key Management Personnel, using, as regards the latter, information supplied by the Chairman, Deputy Chairman and Chief Executive Officer, and submitting the related proposals to the Board of Directors;
- to provide advance opinions on the proposals of the Board of Directors, and, on its behalf, of the Chairman and/or Deputy Chairman and Chief Executive Officer concerning the compensation of the Chairman, Deputy Chairman and Chief Executive Officer and on setting performance objectives related to the variable component of the compensation. It also monitors the application of decisions taken by the Board;
- to provide advance opinions on the proposals of the Board of Directors, and on its behalf, of the Chairman and/or Deputy Chairman and Chief Executive Officer concerning the definition by Mediaset S.p.A.'s delegated bodies on the compensation of key management personnel and of the other key executives of the Mediaset Group;
- to provide advance opinions on proposals of the Board of Directors, and on its behalf, of the Chairman and/or Deputy Chairman and Chief Executive Officer concerning general regulations for allocating compensation (allocation, rejection or reversal) to employees of the companies of the Mediaset Group designated to fill positions in administrative and control bodies and/or in committees appointed by administrative bodies of Italian or foreign subsidiaries or investee companies;

³⁵ The previous Compensation Committee, whose term of office ended with the Shareholders' Meeting of 27 June 2018, comprised Michele Perini (Chairman), Bruno Ermolli and Fernando Napolitano.

- to make proposals to the Board of Directors concerning the criteria, beneficiary categories, quantities, terms, conditions and procedures for share-based compensation plans.

During 2018, the Committee carried out the activities under its responsibility; among other things, it:

- carried out a market analysis on the remuneration of the Board of Directors and the Committees, with the help of Willis Towers Watson, a specialized consulting firm, whose results were brought to the attention of the Board of Directors for the implementation of the final considerations;
- examined the proposal to renew a three-year medium/long-term incentive plan, having essentially the same characteristics as the previous one;
- approved the proposal of the Compensation Report.

Since its appointment, on 28 June 2018, the Committee has:

- approved its Regulations;
- expressed a favourable opinion concerning the overall compensation of the Chairman, proposed by the Deputy Chairman and Chief Executive Officer, considering its apportionment and fitting for the executive position held; this agreement was assessed, also based on an opinion of market analysis from the consulting firm Willis Towers Watson; this opinion was then given to the Related Parties Committee and Board in order to determine compensation³⁶;
- acknowledged that on 27 June 2018 the Shareholders' Meeting approved the 2018/2020 medium/long-term loyalty and incentive plan and proposed that the Board of Directors approve the Plan Regulations, objectives and categories of beneficiaries for 2018, and subsequently took note of the allocation, by beneficiaries, of the part of annual variable compensation of the short term incentive;
- expressed a favourable opinion on the Chairman's proposal concerning the compensation of the Deputy Chairman and Chief Executive Officer, considering this level of compensation commensurate with the role held and relative responsibilities;
- expressed a favourable opinion regarding the SIA (Annual Incentive System) performance objectives set for the 2018 Financial Year in connection with the variable component of the compensation of the Deputy Chairman and Chief Executive Officer;
- assessed the achievement of the financial objectives of the 2015-2017 medium/long-term Loyalty and Incentive Plan, at the end of the third and last year of the three-year cycle of the Plan approved by the Shareholders' Meeting in 2015;
- conducted in-depth analyses following the vote of the Shareholders' Meeting of 27 June 2018 on the agenda item relating to the Compensation Report, the positive outcome of which was the result of an improvement process started in 2016 with the help of the company Georgeson Srl, a company tasked with verifying the alignment of the Mediaset Group's Compensation Policy with national and international best market practices and with the Proxy Advisors guidelines; in this regard, the Compensation Committee further developed actions taken in which the Company redefined the Compensation Report over the last three years, also reviewing analyses on the observations of Proxy Advisors;
- approved the proposal of the Deputy Chairman and Chief Executive Officer to pay a one-off bonus to the Key Executive Marco Giordani, for his involvement in the extraordinary review of the industrial perimeter and ownership structure of the Mediaset Group, carried out in 2018;

³⁶ Further information is available in the press release of 27 July 2018 published on the website www.mediaset.it.

- assessed, also on the basis of information exchanged with the central Human and Operations Department, that the compensation policy approved by the Shareholders' Meeting of 27 June 2018 is consistently and actually applied.

During 2019, the Committee:

- monitored the ongoing engagement of competent functions with Proxy Advisors;
- made a proposal on the objectives and categories of beneficiaries of the 2018/2020 medium/long-term incentive plan, for 2019;
- expressed a favourable opinion regarding the payment of the variable component to key management personnel, as proposed by the Deputy Chairman and Chief Executive Officer;
- expressed a favourable opinion regarding the SIA (Annual Incentive System) performance objectives set for the 2019 financial year, in connection with the variable component of the compensation of the Deputy Chairman and Chief Executive Officer;
- approved the proposal of the Compensation Report.

The Committee Chairman informs the Board of the meetings held at the first available Board meeting.

The Committee is given funding of EUR 200 thousand per annum for expenses related to its duties.

The Committee members are given a fee for attending each meeting, in the amount set by the Shareholders' Meeting of 27 January 2018.

9. COMPENSATION OF DIRECTORS

On 27 June 2018, the Shareholders' Meeting approved the first section of the Compensation Report, pursuant to article 123-ter of Legislative Decree no. 58/1998, with 97.31% of votes in favour.

On 24 April 2018, the Board of Directors established a general policy for the compensation of executive directors, directors with special duties and Key Management Personnel.

For further information relative to this section, reference is made to the relevant parts of the Report on Compensation, published pursuant to Article 123-ter of the TUF.

10. CONTROL, RISK AND SUSTAINABILITY COMMITTEE

³⁷The Control, Risk and Sustainability Committee consists of three independent, non-executive directors who remain in office for three years until the term of office of the entire Board ends; experts in accounting and financial matters are among them.

Carlo Secchi	Chairman - Independent Director
Marina Brogi	Independent Director
Costanza Esclapon	Independent Director

During 2018, eleven meetings of the Control, Risk and Sustainability Committee were held. The Committee requested the following non-members to attend meetings, concerning individual items on the agenda and related to their area of responsibility: the Supervisory and Control Body, the Financial Reporting Officer, the Internal Audit Manager, representatives from the independent auditors, managers of specific departments of the Company and/or Group companies, as well as external consultants when deemed appropriate. On some occasions, again at the invitation of the Committee,

³⁷ The previous Control, Risk and Sustainability Committee, whose term of office ended with the Shareholders' Meeting of 27 June 2018, consisted of Carlo Secchi (Chairman), Franco Bruni and Fernando Napolitano, all independent directors.

some Independent Directors also took part in meetings dealing with issues of common interest. Minutes were taken of all meetings. The Manager of the Corporate Affairs Department, appointed as Committee Secretary, attends the meetings. In the days preceding meetings, sufficiently in advance of the meeting, the Secretary, as agreed with the Committee Chairman, sends to the Governance Committee members all available documents and information on items on the agenda.

The average duration of each meeting was about 1.5 hours. The percentage of each director attending Committee meetings is shown in Attachment D to this Report. Nine meetings have been scheduled for the 2019 financial year and four of them have already been held.

As a rule, all members of the Board of Statutory Auditors participate in Committee meetings.

The Committee members are given a fee for attending each meeting, in the amount set by the Shareholders' Meeting of 27 June 2018.

Functions and activities of the Control, Risk and Sustainability Committee

The Control, Risk and Sustainability Committee, besides assisting the Board in fulfilling the tasks assigned to the latter on matters of internal control, fulfils the functions in line with those indicated in the Code.

On 20 December 2016, the Board identified the Control, Risk and Sustainability Committee as the Committee responsible, in accordance with Borsa Italiana Code, for supervising the sustainability issues related to the exercise of business activities and its interaction with stakeholders; these duties were confirmed by the Board on 28 June 2018.

To enable the Board of Directors to provide guidelines and evaluate the adequacy of the Internal Control and Risk Management System, the Committee systematically provided assistance during the year, carrying out preparatory activities concerning evaluations and decisions of the Board (and the Internal Control and Risk Management System) with regard to the approval of financial data, including the Financial Statements.

During the year, the Committee examines, usually every six months, the periodic reports prepared by the Supervisory and Control Body of Mediaset on audit outcomes and on the actions taken pursuant to Legislative Decree 231/01, which are subsequently presented to the Board of Directors.

The Committee annually reviews activities carried out by the Financial Reporting Officer, pursuant to Law 262/2005 on the Protection of Savings, for the purposes of issuing certification relative to the Financial Statements and Consolidated Financial Statements, and the Risk Officer's update on the assessment and procedures for the management of main company, strategic and process risks, of the Mediaset Group, carried out on an "Enterprise Risk Management" basis; this annual update is usually carried out by respective managers of the listed subsidiaries El Towers S.p.A. and Mediaset España Comunicación S.A. On a quarterly basis, the Committee, on the basis of the report prepared by the Internal Audit Department, acknowledges that there are no significant changes compared to the forecasts of the Annual Audit Plan.

During the year, the Committee, among others:

- took note of the summary of reports issued by the Internal Audit Function and Final 2017 Report, as well as the findings for 2017 of the "Quality Assurance and Improvement Plan." The Committee monitored the work of the Internal Audit Function, also through periodic audit reports, and the implementation of action plans on corrective measures necessary to ensure continual improvement of the system;

- approved the “2018 Audit Plan”, and also examined and took note of the Report on the Internal Control and Risk Management System as of 31 December 2017, prepared by the Internal Audit Function;
- examined and took note of the “2018 Audit Plan” of the listed subsidiaries El Towers S.p.A. and Mediaset España Comunicación S.A. submitted by the respective managers;
- evaluated, together with the Financial Reporting Officer, the independent auditors Deloitte & Touche S.p.A. and the Board of Statutory Auditors, the accounting standards adopted by the Mediaset Group and their uniformity for the purposes of preparing the 2017 Consolidated Financial Statements, and found them to have been correctly applied; it also launched the examination activity in view of the approval of the 2017 financial statements;
- took note of and agreed with the methodology adopted and the various plan assumptions supporting the evaluations relative to the annual impairment testing;
- expressed a favourable opinion on the Board's adoption of the Diversity Policy;
- examined the Non-Financial Statement for the 2017 financial year drawn up pursuant to Legislative Decree 254/2016, expressing to the Board its positive assessment on the analysis and contents of the document as regards the sustainability issues that were found to be material for the Mediaset Group, taking into account the related activities and characteristics, and, overall, on the data and information collection process;
- approved Sections 10 and 11 of the 2017 Report on corporate governance and ownership structure, relative to the Internal Control and Risk Management System;
- took note of the Additional Report of the independent auditors Deloitte & Touche S.p.A. for the Board of Statutory Auditors in a capacity as internal audit committee pursuant to Article 11, Regulation 537/2014, which identifies the main issues relative to the Consolidated Financial Statements. In the report, the independent auditors explained activities carried out to assess procedures adopted; no major shortcomings or nonconformities were identified. No suggestions were made. The Committee also acknowledged that the independent auditors, in the absence of observations to bring to the attention of Management, did not issue the Management Letter at 31 December 2017;
- took note of periodic updates to the “List of broadcasting rights suppliers”, prepared by the Rights Department, to complete the company procedure for the planning, acquisition and management of rights, and gave it a positive rating;
- took note of the Report "summary of the main results of the audits (three years 2015-2017)" prepared by the Internal Audit Department;
- took note of the findings in the Report concerning the period from 19 March to 25 June 2018 received by the Supervisory and Control Body on audit outcomes and actions taken pursuant to Legislative Decree 231/2001

Since its appointment, on 28 June 2018, the Committee has:

- approved its Regulations;
- expressed a favourable opinion on the reconfirmation of the manager of the Internal Audit Department and the compensation paid to the latter, which was considered to be consistent with the Company's policies;
- took note of the summary of reports issued by the Internal Audit Department in the period from January to July 2018;

- took note of periodic updates to the “List of broadcasting rights suppliers”, prepared by the Rights Department, to complete the company procedure for the planning, acquisition and management of rights, and gave it a positive rating;
- examined and approved the “Project to revise processes and procedures on the Market Abuse Regulation” prepared with the assistance of Pricewaterhousecoopers Advisory S.p.A. and the new institutional procedure “Management and disclosure of inside information”;
- reviewed and acknowledged the update to the "2018 Audit Plan" and ERM monitoring of the listed subsidiary Mediaset España Comunicación S.A.;
- conducted preliminary analysis on procedures to prepare the Non-Financial Statement of the Mediaset Group, pursuant to Legislative Decree no. 254/2016 for the 2018 Financial Year;
- monitored the adequacy, effectiveness and efficiency of the Internal Audit Function.

In 2019, the Control, Risk and Sustainability Committee, among others:

- acknowledged and approved the alignment of the Group's whistleblowing system pursuant to Law no. 179 of 30 November 2017;
- took note of the summary of reports issued by the Internal Audit Function and Final 2018 Report, as well as the findings for 2018 of the “Quality Assurance and Improvement Plan.” The Committee monitored the work of the Internal Audit Function, also through periodic audit reports, and the implementation of action plans on corrective measures necessary to ensure continual improvement of the system;
- approved the “2019 Audit Plan”, and also examined and took note of the Report on the Internal Control and Risk Management System as of 31 December 2018, prepared by the Internal Audit Function;
- acknowledged and shared the materiality matrix relative to the non-financial statement at 31 December 2018 pursuant to Legislative Decree 254/2016;
- approved the proposal to revise objectives in 2019 relative to the SIA (Annual Incentive System) for the Internal Audit Manager and Financial reporting Officer, in a way that is more consistent with best practices, by establishing efficiency and effectiveness indicators of the monitored function, considering organisational responsibilities;
- evaluated, together with the Financial Reporting Officer, the independent auditors Deloitte& Touche S.p.A. and the Board of Statutory Auditors, the accounting standards adopted by the Mediaset Group and their uniformity for the purposes of preparing the 2018 Consolidated Financial Statements, and found them to have been correctly applied; it also launched the examination activity in view of the approval of the 2018 financial statements;
- took note of and agreed with the methodology adopted and the various plan assumptions supporting the evaluations relative to the annual impairment testing;
- carried out activities prior to preparing the Non-Financial Statement for the 2018 Financial Year drawn up pursuant to Legislative Decree 254/2016, informing the Board of its positive assessment on the analysis and contents of the document as regards the sustainability issues that were found to be material for the Mediaset Group, taking into account the related activities and characteristics, and, overall, the data and information collection process;
- approved Sections 10 and 11 of this Report relative to the Internal Control and Risk Management System.

The Committee Chairman informs the Board of the meetings held at the first available Board meeting. When the semi-annual financial statements and management letter are approved, the Committee reports to the Board on the adequacy of the internal control system. During the activity described above and also in view of the policy manage the control system adopted by the Internal Control and Risk Management System Director on the basis of the guidelines of the Internal Control and Risk Management System of the Mediaset Group issued by the latest Board of Directors meeting of 20 December 2016, the Committee recommended to the Board to consider the Internal Control and Risk Management System to be adequate and effective overall, with respect to the profile and characteristics of the Company and to the profile of risk assumed.

In carrying out its functions, the Committee accessed all necessary information and/or functions of the Company and/or Group and/or was assisted by external consultants, as well as the Company Secretary.

The Committee is given funding of EUR 350,000 per annum for expenses related to its duties.

The Committee members are given a fee for attending each meeting, in the amount set by the Shareholders' Meeting of 27 June 2018.

11. THE INTERNAL CONTROL AND RISK MANAGEMENT SYSTEM

The internal control and risk management system comprises all rules, procedures and organisational structures to perform business operations that are consistent with established objectives, through an adequate process that identifies, measures, manages and monitors main risks.

The Board exercises the functions listed by the Code, with the assistance of the Control, Risk and Sustainability Committee.

The Board of Directors carries out its functions related to the internal control and risk management system taking into consideration reference models and existing best practices at the national and international level and in compliance with the organisation and management models adopted pursuant to Legislative Decree 231/2001.

On 24 April 2018, the Board of Directors, with the favourable opinion of the Control, Risk and Sustainability Committee, examined the results of the Risk Officer's annual update on the assessment and methods of managing the main company, strategic and process risks, assessing the nature and level of compatible risk also with a view to sustainability with the strategic objectives established in the meeting of 22 January 2018 and with the medium/long-term guidelines defined by the Board at the meeting of 17 January 2017 and subsequently presented to the market.

During the meeting of 27 March 2018, the Board, based on Control, Risk and Sustainability Committee Reports, after consulting with the Board of Statutory Auditors and Financial Reporting Officer, took note, with no observations made, of the final data of the Audit Plan updated on 31 December 2017, and approved the 2018 Audit Plan prepared by the Internal Audit department Manager.

On 22 January 2018, the Board of Directors, with the approval of the Control, Risk and Sustainability Committee and as part of activities to monitor objectives and results, reviewed the main actions taken by the Group during the year as regards the strategic objectives previously established and the relative risk level accepted; it also updated the strategic objectives for the subsequent annual assessment of related risks.

The Guidelines of the Internal Control and Risk Management System of the Group, which identify the Enterprise Risk Management Framework as the reference methodology³⁸ for monitoring the internal

³⁸ According to the Enterprise Risk Management methodology, the internal control system starts from the definition of the Company's strategy. The Company's objectives are taken into consideration by the methodology according to the following categories:

control system, are implemented, by the Internal Control and Risk Management System Director, through the "Enterprise Risk Management Policy", which defines the main methodological aspects of the risk management process, as well as the roles, responsibilities and main activities involved in risk management.

The internal control and risk management system of the Mediaset Group is able to identify and measure the main company risks, including those that may be relevant for medium/long-term sustainability, that could undermine the achievement of established objectives, taking into account the characteristics of activities carried out by Mediaset and its subsidiaries, based on the following criteria:

- the nature of the risk, with reference to strategic and operating risks and risks concerning reporting and compliance with laws in force;
- the possibility of risk affecting the ability to achieve company objectives;
- the organisation's ability to properly manage identified risk;
- the correct monitoring of company risks, by checking the suitability of the internal control and risk management system to provide an acceptable profile of overall risk. Specifically, the internal control and risk management system of the Mediaset Group establishes the following:
 - the systematic monitoring by management of main company risks, in order to identify and implement any corrective actions for existing control processes;
 - periodic independent checks of the adequacy and effectiveness of the internal control system, as well as the timely adoption of specific corrective actions if weaknesses are identified;
 - rules for reporting on the adequacy and effectiveness of the internal control and risk management system.

For this purpose, the Internal Control and Risk Management System Director supervises the management of the Internal Control and Risk Management System of the Mediaset Group, to ensure the system can:

- promptly react to significant risk situations, establishing adequate control mechanisms;
- guarantee, within the context of company processes, an adequate level of separation between operating and control functions, thus preventing conflicts of interest arising regarding assigned responsibilities;
- guarantee, within the context of operating and administrative/accounting activities, the use of systems and procedures that ensure the accurate recording of company events and operations, as well as the production of reliable, timely information flows, both in and outside the Group;
- establish methodologies for the timely communication of significant risks and control anomalies identified in relation to appropriate Group levels, allowing for the identification and timely adoption of corrective actions.

This model is adopted for listed subsidiaries, also in line with the management and coordination activities of the parent company, giving them Guidelines and related policies for implementation.

- strategic objectives: high level objectives, aligned with and supporting the Company's mission;
- operational objectives: objectives related to the efficient and effective use of resources;
- reporting objectives: objectives related to the reliability of reporting external and internal to the Company;
- compliance objectives: objectives related to compliance with applicable laws and regulations.

With particular reference to financial reporting processes, the main characteristics of the Internal Control and Risk Management System relative to such risks pursuant to Article 123-bis, paragraph 2, letter b) of the TUF are described below.

Main characteristics of risk management and internal control systems in relation to the financial reporting system process

1. Introduction

The risk management and internal control system in relation to the financial reporting process³⁹, developed within the Mediaset Group, aims to guarantee the dependability, accuracy, reliability and timeliness of financial reporting.

Mediaset, in defining its own system, has aligned it with laws and regulations currently in force.

As reference standards do not explicitly establish specific criteria for the design, implementation, evaluation and monitoring of the Risk Management and Internal Control System relative to financial reporting, Mediaset has opted for the application of a model that is universally recognised as one of the most accredited: the CoSO (Committee of Sponsoring Organizations) Framework. Furthermore, implementation of the System takes into account the guidelines of some industry organisations regarding the activities of the Appointed Director (the Italian Confederation of Industry, Confindustria, and the National Association of Finance and Administration Managers, Andaf).

Article 154-bis of the TUF has established the position of Financial Reporting Officer for issuers with shares listed on regulated markets. This Officer is responsible, among others, in conjunction with relevant functions, for developing adequate administrative and accounting procedures for the production of financial statements, consolidated financial statements and interim reports, as well as all other information disclosed to the market and relative to accounting disclosure and the issue of specific certification.

2. Description of the main characteristics of the Internal Control and Risk Management System in relation to the financial reporting system process

Roles and Functions involved

The Financial Reporting Officer is assisted by a specifically established company structure for the purpose and by the Organisation Department: these structures support the Financial Reporting Officer in designing, implementing and maintaining adequate administrative and accounting procedures to draft the financial statements and the consolidated financial statements and supply the Financial Reporting Officer with elements to evaluate their adequacy and effective functioning.

The structure assisting the Financial Reporting Officer works with process owners to promptly identify events that may impact or change the reference framework, update administrative accounting procedures, implement new controls and carry out any improvement plans within their own processes.

The Internal Audit Function periodically carries out independent checks on the adequacy and actual functioning of the control model adopted by the Company to ensure compliance with the requirements of the Law on the Protection of Savings in relation to obligations of the Financial Reporting Officer.

Stages of the Internal Control and Risk Management System in relation to the financial reporting process

³⁹Financial reporting means, for example, periodic accounting information, annual and interim financial reports, additional financial interim disclosures – including with reference to consolidation – ongoing disclosure and press releases

The risk management and internal control system, relative to the financial reporting process, basically comprises a number of administrative accounting procedures and tools to evaluate the adequacy and actual functioning of procedures, which contribute to establishing an internal control model that is maintained, updated and, where concrete opportunities for rationalisation and optimisation are identified, is further developed.

The model is structured in three main stages:

- a) definition of the scope of analysis with the identification and evaluation of risks;
- b) identification and documentation of controls;
- c) evaluation of the adequacy and actual application of administrative and accounting procedures and relative controls.

a) Definition of the scope of analysis, with the identification and evaluation of risks

To determine and plan activities to check the adequacy and actual application of the Group's administrative and accounting procedures, the definition of the scope of analysis describes the process to adopt when determining the level of complexity, identifying and assessing risks and assessing the materiality of financial statement areas. This process aims to assess controls of transactions generated from company processes that supply accounting data and record them in financial reporting.

Significant processes that are representative of the business are identified based on the quantitative analysis of financial statement items, applying the concept of materiality to aggregate items contained in the Consolidated Financial Statements of the Mediaset Group, and on a qualitative analysis of processes based on their level of complexity.

For each process identified as significant, the "generic" risks of the unreliability of financial reporting inherent in the process itself are determined, referring to financial statement assertions (existence and occurrence, completeness, rights and obligations valuation and recognition, presentation and reporting), which constitute control objectives.

The Financial Reporting Officer defines the reference context, at least annually and whenever elements occur that may considerably change the analysis carried out.

To complete scope analysis, a summary and overall analysis at a Group level is also carried out on the internal control system at a functional and/or organisational level (entity level control). This analysis breaks down each component of the CoSO framework in supervisory areas that, based on the Risk Assessment carried out, should be covered by the Group and monitored by management.

For each of the identified supervisory areas, actual risk coverage connected with it is tested, checking the existence of company procedures and practices adopted by the Group.

b) Identification and documentation of controls

Controls are defined by a process that identifies administrative and accounting procedures that meet various control assertions ⁴⁰.

⁴⁰ Reference control assertions are the following:

accuracy: this control ensures that all details of the individual transaction have been correctly processed;

completeness: this control ensures that all transactions are processed and are only processed once;

validity: this control ensures that the processed transaction has passed adequate authorisation levels and is effectively referable to company operations;

restricted access: this control ensures that access to information and transactions is adequately configured according to the roles and responsibilities recognised by the Company.

The controls identified and specifically applied when carrying out activities are formalised in a specific matrix (the "Risk and Control Matrix") and, in this matrix are related to the "generic" risks of the unreliability of financial reporting.

Administrative and accounting procedures and relative controls are periodically monitored and updated through a process that involves the Financial Reporting Officer, his/her support structure and process owners. Specifically, process owners inform the Financial Reporting Officer, on a regular basis, of events that may impact and change the frame of reference of significant procedures, and on an annual basis, the support structure of the Financial Reporting Officer reviews and validates the entire control model, involving all process owners in reviewing processes in their area of responsibility.

c) Evaluation of the adequacy and actual application of administrative and accounting procedures and relative controls

The adequacy and actual application of administrative and accounting procedures is evaluated by specific testing, and aims to guarantee the design and operational ability of identified controls.

The Group has adopted a testing strategy which basically involves defining the approach and criteria used for testing: the frequency of analysis, sizing of the sample, types of tests to carry out, formalisation of tests carried out and information flows to notify test outcomes.

The purpose of testing is to guarantee the actual application of controls in compliance with the defined testing strategy. On a six-monthly basis, the support structure of the Financial Reporting Officer prepares a report indicating activities carried out and test outcomes.

Based on testing results, the Financial Reporting Officer, assisted by his/her support structure, defines a plan to remedy any deficiencies that may have a negative impact on the effectiveness of the risk management and internal control system relative to financial reporting.

The Financial Reporting Officer's support structure, in conjunction with process owners, for areas in their responsibility, coordinates improvement plans and guarantees their implementation.

On at least an annual basis, the Financial Reporting Officer reports to the Control, Risk and Sustainability Committee, the Board of Statutory Auditors and the Supervisory Bodies of Group companies, with reference to procedures used to evaluate the adequacy and actual application of controls and administrative/accounting procedures, as well as compliance with remedial plans defined, and rates the adequacy of the accounting and administrative control system.

11.1. INTERNAL CONTROL AND RISK MANAGEMENT SYSTEM DIRECTOR

During its meeting of 27 June 2018, the Board confirmed the Chairman as Internal Control and Risk Management System Director.

During 2018 and the first few months of 2019, the Internal Control and Risk Management System Director Officer:

- implemented the guidelines issued by the Board and verified their adequacy and effectiveness;
- supervised amendments to the system concerning the dynamics of operating conditions and the legal and regulatory framework;
- oversaw the identification of the main company risks (strategic, operational, financial and concerning compliance) taking into account the characteristics of the activities carried out by the Company and its subsidiaries, and based on the guidelines for the Internal Control and Risk Management System established by the Board of Directors.

The analysis and evaluation of main business processes and processes supporting the business, with the involvement of the Group's management, the Internal Audit Function, and the Risk Officer, made it possible to give an overall evaluation of the Internal Control and Risk Management System (which was finalised with the presentation of the Report by the Internal Control and Risk Management System Officer to the Board of Directors during the meeting of 24 April 2018).

11.2. INTERNAL AUDIT FUNCTION MANAGER

The Issuer has established an Internal Audit Function to ensure that the internal control and risk management system is both functioning and adequate.

The Board of Directors, following the proposal of the Control, Risk and Sustainability Committee and after consulting with the Board of Statutory Auditors, confirmed Angelo Iacobbi as Internal Audit department manager, defining his compensation as being consistent with company policies and ensuring he has adequate resources to undertake his responsibilities. Incentive mechanisms for the Manager of the Internal Audit Department were last revised in the meeting of the Board of 19 February 2019, and considered consistent by the Board with assigned duties.

To ensure an adequate level of independence and objectivity in internal audit activities, the Internal Audit Function Manager is not responsible for any operational area.

The Internal Auditing department reports to the Chairman, who informs the Board.

In compliance with international reference standards on auditing, the Internal Audit Function checks, both on an ongoing basis and in relation to specific needs, the functioning and adequacy of the internal control and risk management system, implementing an Audit Plan approved by the Board of Directors, based on a structured process, analysing and prioritising the main company risks.

The scope of the activities carried out by the Internal Audit⁴¹ Function include Mediaset and all the Group Companies directly or indirectly controlled by it, with the exception of the listed companies and their subsidiaries or investee companies. In addition, with reference to the Group's investee companies and joint ventures, the Internal Audit Department activities can be carried out on the basis of a specific request by the Board of said companies.

In 2018, the Internal Audit Function carried out mandates of:

- Assurance, which consists in an objective review of evidence and findings, through analyses, assessments, recommendations and qualified comments, in order to obtain an independent evaluation of the internal control and risk management system;
- advice, which consists of methodological support and assistance to provide added value and improve governance, risk management and control processes.

In its activities carried out during 2018, the Internal Audit Function had free and direct access to data, documents, information and personnel useful to carrying out its duties.

During the reporting period, the Internal Audit Function Manager prepared periodic reports⁴² containing information on: the activities carried out, including activities relating to the reliability of the company information systems, including the accounting systems, the methods used to manage risks as well as compliance with plans to limit risks; the reports also contained an assessment of the suitability (adequacy and effective functioning) of the internal control and risk management system.

⁴¹in accordance with the Mandate granted to it by the Board of Directors on 17 December 2013

⁴² Sent to the Chairmen of the Board of Statutory Auditors, Control, Risk and Sustainability Committee and Board of Directors, as well as to the Internal Control and Risk Management System Director of Mediaset S.p.A..

As regards the Financial Year, the Internal Audit department considered the internal control and risk management system to be operational and adequate.

The Internal Audit Function Manager also maintained periodic communication flows with other company bodies and units that have supervisory and monitoring functions in relation to the internal control and risk management system, such as the Financial Reporting Officer, the Risk Officer and the Supervisory and Control Bodies of the Group.

In compliance with recommendations of international standards on auditing, the Internal Audit Function put in place actions to ensure and improve the quality of activities carried out, also considering the last Quality Assurance Review of the Internal Audit Function carried out in 2017 by a qualified, independent external auditor who, along with results of internal audits, confirmed the general conformity of the internal audit structure and activities carried out in accordance with international standards and the code of ethics issued by the Institute of Internal Auditors.

11.3. COMPLIANCE PROGRAMME

The internal control system was consolidated by adopting a Compliance Programme, with the first draft approved by the Board of Directors on 29 July 2003. This version was then amended and supplemented, up to the current version⁴³.

Updates of the Compliance Programme, made gradually, mainly took into account, among other things, legislative changes and the ensuing broadening of the range of "predicate offences;" internal organisational changes; and ongoing case law precedents being established regarding compliance programmes.

With the adoption of its own Compliance Programme, Mediaset has sought to establish a structured and organic system of general and operational rules and principles of conduct which are adopted in the framework of the Company organisation, the system of mandates and powers, organisational guidelines and operating practices, the disciplinary system, etc., and which meet the purposes and provisions of Legislative Decree 231/01, in terms of the prevention of crimes and administrative offences (preventive controls), and control of the programme's implementation and any application of fines and sanctions (ex post controls).

The Compliance Programme comprises principles, company rules and provisions relative to the management and control of the Company's activities and includes a summary document, explaining the general regulations that are appropriate for preventing the commission of offences indicated in Legislative Decree 231/01 and a number of attachments (including, among others, the updated wording of Legislative Decree 231/01, a description of all criminal offences envisaged by the decree, a summary of so-called "areas of activities at risk of offences being committed" concerning the Company and relative organisational oversight, as well as general controls of single areas).

During 2018, the need to revise the Compliance Programme was evaluated, with a risk assessment conducted as well as analyses on provisions in Law no. 179 of 30 November 2017 "*Provisions to protect persons reporting offences or irregularities that come to their knowledge during public or private*

⁴³The Compliance Programme that Mediaset adopted in 2016 refers, specifically, to the following types of "predicate offence": offences that may take place during relations with the Public Administration, corporate crimes, market abuse, offences of organised crime, computer crime, negligent offences infringing occupational health and safety laws, crimes against industry and trade, handling stolen goods, money laundering and the use of any monies, goods or other utilities from illicit sources, self-laundering, and offences concerning copyright, the offence of omitting to make or making false statements to the judicial authorities, environmental offences, offences in employing citizens from third-party countries without valid permits, corruption among private entities. The Compliance Programme adopted by Mediaset in 2014 includes, as an integral part, the document "*General Guidelines on Anti-Corruption matters*", adopted as early as 2014, in order to align the Mediaset Group with the best practices developed at the international level to counter corruption. The document describes the general principles which (in compliance with provisions in the Code of Ethics and in order to prevent unlawful or improper behaviour, including acts of corruption for any reason) shall inspire the conduct and actions of all persons who work for the Company or the Mediaset Group, in particular in "areas of activities in which there is a risk that offences may be committed."

employment". Based on these assessments, a new version of the Compliance Programme was prepared, and approved by the Board on 5 February 2019.

During 2018, in view of a growing focus on corporate governance and considering the complexity of the sectors in which the Media Group operates on a daily basis, analysis was conducted to assess the feasibility of revising the current Code of Ethics, adopted in 2012, in order to clearly confirm and in some cases update the set of values and responsibilities which the Mediaset Group acknowledges, accepts, shares and undertakes. The text of a new Code of Ethics was therefore prepared, rewording some articles and introducing new ones (for example on the prevention of corruption, the use of social networks, internal control and risk management, public security, alignment with regulations on whistleblowing). The new Code of Ethics of the Group was approved by the Board on 5 February 2019.

Italian subsidiaries have adopted the new version of the Compliance Programme and the Group's Code of Ethics.

The Supervisory and Control Body

The Compliance Programme requires the Supervisory and Control Body to have several members appointed by the Board, after ensuring they meet the same integrity standards as directors of the Company and professional standards commensurate with the position they will hold. In addition they must not be ineligible for any reason or have conflicts of interest with other company departments and/or positions that could undermine their independence and freedom of action and judgement.

The Supervisory and Control Body, confirmed by the Board of Directors on 28 June 2018, after ensuring that it met the same requirements concerning reputation applicable to directors of the Company and requirements concerning adequate professional competence, and also after ensuring the absence of incompatibility and conflicts of interest with other company functions and/or positions that would undermine its independence, freedom of action and judgement, will expire from office with the approval of the Financial Statements to 31 December 2020⁴⁴. The Committee comprises three members:

Sergio Beretta	Chairman - Consultant
Silverio Di Girolamo	Consultant
Michele Perini	Consultant

The composition of the Supervisory and Control Body was considered appropriate to satisfy the requirement that this role and the ensuing responsibility must be assigned to persons that can wholly guarantee the necessary autonomy and independence that such body must possess.

Mediaset decided not to assign the Supervisory and Control Body functions to the Board of Statutory Auditors, as it considered it appropriate to keep a Body with specific responsibilities for *compliance* with Legislative Decree 231/01 and entirely dedicated to this activity.

In carrying out its activities, the Supervisory and Control Body is supported mainly by the Internal Audit department and - where necessary - it may be assisted by other company departments or outside consultants.

The Supervisory and Control Body carries out the duties and has the powers established in the Compliance Programme. To undertake its responsibilities, the Supervisory and Control Body may, at any time whatsoever, at its own discretion and independently, verify the application of the Compliance Programme and procedures relative to it, also regarding each member separately.

⁴⁴ The previous Supervisory and Control Body, whose term of office ended with the Shareholders' Meeting of 27 June 2018, comprised Sergio Beretta (Chairman), Aldo Tani and Davide Attilio Rossetti.

As a result of the audits conducted (on specific company operations and the procedures/rules of conduct adopted), and in relation to legal and/or organisational developments, or to the identification of new areas of activities at risk of serious infringements of provisions of the Compliance Programme, and/or of company procedures that refer to it, the Supervisory and Control Body also informs the Company of the advisability of making changes and updates to the Compliance Programme and/or relative procedures. With subsequent follow-up activities, the Supervisory and Control Body ensures that any corrective actions recommended to the Company have been adopted by relative company functions.

During 2018, the Supervisory and Control Body met six times and reported, every six months, to the Board of Directors, Control, Risk and Sustainability Committee, and Board of Statutory Auditors.

11.4. INDEPENDENT AUDITORS

The Shareholders' Meeting of 28 June 2017, having examined the recommendation made by the Board of Statutory Auditors, appointed Deloitte & Touche SpA. as independent auditors in charge of auditing the annual and consolidated financial statements and of performing the limited audit of the half year report for the financial years 2017/2025, pursuant to law. The Financial Statements of subsidiaries are audited.

Subsequently, on 27 June 2018 the Board, based on recommendations of the Board of Statutory Auditors, decided to supplement the auditing fees of Deloitte & Touche S.p.A. for activities carried out following the adoption of the new accounting standards IFRS 9 and 15, as well as some changes to the scope of auditing.

On 26 September 2017, the Board of Directors appointed Deloitte & Touche S.p.A. to provide services for the issue of a limited audit report on the Non-Financial Statement for the 2017-2025 period.

11.5. THE FINANCIAL REPORTING OFFICER

The Board of Directors, during its meeting of 28 June 2018, upon favourable recommendation of the Board of Statutory Auditors, confirmed Luca Marconcini, manager of the Consolidated Accounts, Accounting Principles and Risk Office department as Mediaset Financial Reporting Officer. All powers and responsibilities needed to fulfil the assignment and related tasks were attributed to the Financial Reporting Officer⁴⁵.

For the Financial Year, the Financial Reporting Officer, assisted by the Risk Office and Organisation departments, implemented, in relation to main company processes within the operating companies of the Group⁴⁶, the activities⁴⁷ required to assess, adapt, and document the Internal Control System as required by Law 262/05.

The 2018 Financial Statements and Consolidated Financial Statements of the Company include statements issued based on the programme established according to CONSOB regulations on the adequacy and actual application of procedures, as well as their consistency with accounts and adequacy in giving a true and fair view of the equity, economic and financial standing of the Company and of

⁴⁵ pursuant to Article 154-bis of Legislative Decree No. 58 of 24 February 1998 and to Article 28 of the Bylaws.

⁴⁶ With reference to listed subsidiaries, the Financial Reporting Officer of the Mediaset Group coordinates with the financial reporting officers of these companies, in order to have appropriate evidence of the activities they perform to evaluate the adequacy of controls.

⁴⁷ Specifically, the following activities were carried out:

the identification and evaluation of company processes and relative risks;

the updating of identified processes and controls;

the analysis of the adequacy of controls adopted relative to administrative/accounting and financial aspects;

testing and relative documentation of controls to check the actual application of administrative/accounting procedures;

formalisation of the remedial plan to eliminate any deficiencies identified during controls;

monitoring of the status of remedial activities and testing of relative controls implemented.

companies included in the scope of consolidation, signed by the Financial Reporting Office and Chairman of the Company.

The Financial Reporting Officer, together with the Control, Risk and Sustainability Committee and the independent auditors, assesses the correct use of the accounting standards and, in the case of the Group, their uniformity for the purpose of preparing the Consolidated Financial Statements, an activity that is performed during the first few months of each Financial Year.

In its meeting of 24 April 2018, the Board of Directors allocated funding of EUR 350 thousand per annum to the Financial Reporting Officer for expenses related to his duties.

The Board found the incentive mechanisms for the Financial Reporting Officer, last reviewed on 19 February 2019, to be commensurate to the tasks assigned to him.

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

The coordination between parties involved in the internal control and risk management system is ensured by a steady flow of information between those parties, on an ongoing and timely basis through:

- participation of the Board of Statutory Auditors in the meetings of the Control, Risk and Sustainability Committee;
- frequent participation of the Financial Reporting Officer in the meetings of the Control, Risk and Sustainability Committee; periodic information to the Control, Risk and Sustainability Committee, the Board of Statutory Auditors and the Internal Control and Risk Management System Director appointed by the Internal Audit Manager, regarding the activities performed within the internal control and risk management system;
- exchange of information between the Control, Risk and Sustainability Committee, the independent auditors and the Financial Reporting Manager with regard to the accounting principles applied in the Mediaset group and their uniformity for the purposes of preparing the consolidated financial statements;
- periodic reporting by the Supervisory Body to the Board of Directors and the Board of Statutory Auditors.

12. INTERESTS OF DIRECTORS AND RELATED-PARTY TRANSACTIONS

Procedure for related-party transactions

The Board meeting of 9 November 2010, with the favourable opinion of the Governance Committee, approved the "Procedure for transactions with related parties"⁴⁸ and established the Committee of Independent Directors (now the Related Parties Committee).

Subsequently, in its meeting of 17 December 2013, taking note of the favourable opinion of the Committee, the Board of Directors amended article 7 letter a) of the Related Parties Procedure, effective as from 1 January 2014⁴⁹. During 2017, the Committee carried out three-year analysis,

⁴⁸ Implementing the provisions of the "Regulations on transactions with related parties," adopted by Consob with resolution No. 17221 of 12 March 2010, and later amended by resolution No.17389 of 23 June 2010, the procedure, which can be consulted on the website, sets forth the rules to identify, approve, perform, and publish transactions with related parties conducted by Mediaset S.p.A., either directly or through subsidiaries, in order to ensure the transparency and substantial and procedural correctness of said transactions, as well as the cases of exclusion from the implementation of said rules.

⁴⁹ The amendment concerned the introduction of the threshold for transactions of low value with counterparts that are natural persons. Specifically, the Procedure identifies material and non-material transactions, establishing the rules for carrying them out and identifying transactions to which the foregoing regulations do not apply. Excluded transactions include, in particular, non-material transactions (of a total value not above EUR 300,000.00 if

confirming the effectiveness and suitability of the Procedure to guarantee the substantial and procedural fairness of related-party transactions with Mediaset and expressed a positive opinion on the decision to not make any amendments to the Procedure in effect.

Related Parties Committee

The Related Parties Committee, appointed on 28 June 2018, consists of three independent directors who will remain in office until the term of office of the entire Board expires⁵⁰.

Marina Brogi	Chairman - Independent Director
Giulio Gallazzi	Independent Director
Carlo Secchi	Independent Director

The Committee has its own operating regulations and minutes are taken of all meetings. The Manager of the Company's Affairs Department, appointed as Committee Secretary, attends the meetings. In the days preceding meetings, sufficiently in advance of the meeting, the Secretary, as agreed with the Committee Chairman, sends to the Governance Committee members all available documents and information on items on the agenda.

The Committee met six times during 2018.

The percentage of each director attending Committee meetings is shown in Attachment D to this Report.

As a rule, all members of the Board of Statutory Auditors take part in the meetings, and the managers of specific company departments and external consultants were invited to attend by the Committee Secretary, to explain particular issues.

The Related Parties Committee carries out the duties established by the Regulation on Related-Party Transactions and the Related-Party Procedure. Specifically, as regards non-material transactions, its opinions are non-binding; as regards material transactions, its opinions are binding.

The Committee expressed opinions on minor related-party transactions, including the favourable opinion on the compensation package of the Chairman Fedele Confalonieri, defined during the agreed on termination of the executive employment contract between the Chairman and the Company as from 31 July 2018⁵¹, and the favourable opinion on the variable component of compensation to give to key management personnel, as proposed by the Deputy Chairman and Chief Executive Officer.

The Committee also carries out periodic analyses and controls based on reports.

The Committee also carries out periodic analyses and controls based on reports prepared by the Corporate Affairs Department, pursuant to Article 8.5 of the Related-Party Procedure.

In its meeting of 28 June 2018, the Board of Directors allocated funding of EUR 100 thousand per annum to the Related Parties Committee for expenses related to its duties.

The Committee members are given a fee for attending each meeting, in the amount set by the Shareholders' Meeting of 27 June 2018.

the counterpart is a natural person and not above EUR 500,000.00 if the counterpart is a corporate body), transactions with, or between, subsidiaries and affiliated companies, and normal transactions.

⁵⁰ The previous Committee of Independent Directors for Related-Party Transactions, whose term of office ended with the Shareholders' Meeting of 27 June 2018, comprised Michele Perini (Chairman), Alessandra Piccinino and Carlo Secchi.

⁵¹ Further information is available in the press release of 27 July 2018 published on the Company's website.

Directors with interests

Before dealing with transactions, the Directors shall give exhaustive information to other Directors and to the Board of Statutory Auditors of all interests, even potential, which they have in a specific transaction of the Company, on their own behalf or that of third parties, independently of any situation of conflict; they shall also specify the nature, terms, origin, and scale of said interests; if the Director involved is the Chief Executive Officer, he shall also refrain from carrying out the transaction.

13. APPOINTMENT OF STATUTORY AUDITORS

The appointment of Statutory Auditors is regulated by Article 28 of the Company Bylaws given in Attachment E to this Report.

The Shareholders' Meeting elects the Board of Statutory Auditors, consisting of three regular auditors and three alternate auditors, who remain in office for three financial years until the date of the Shareholders' Meeting convened to approve the Financial Statements of the third financial year. The auditors may be re-elected.

All Statutory Auditors shall be included in the Register of Auditors established by the Ministry of Justice and have carried out auditing for a minimum of three years. In addition, the Statutory Auditors must satisfy the requirements of the laws and regulations in effect and the Board makes sure that said requirements are satisfied.

Based on the Company Bylaws, lists may only be presented by shareholders who have voting rights and who, either alone or together with other shareholders, hold the amount of share capital required by the Company Bylaws to present lists for the appointment of members of the Board of Directors. Pursuant to Consob resolution No. 19856/2017, the shareholding percentage required to present lists of candidates for the Board of Statutory Auditors at the Shareholders' Meeting of 28 June 2017 amounted to 1%.

14. STATUTORY AUDITORS

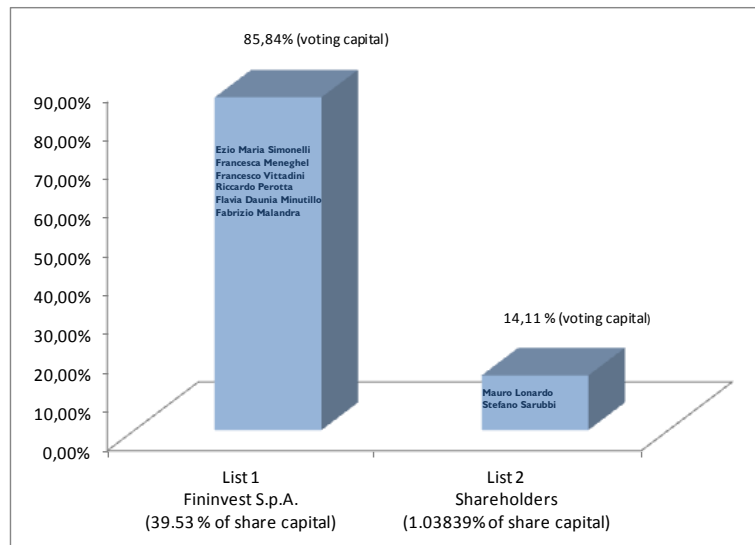
Pursuant to the legal provisions in force, the Board of Statutory Auditors supervises: compliance with law and Company Bylaws, compliance with the principles of fair and proper administration, the adequacy of the Company's organisational structure for areas under its responsibility, the internal control system, the administrative/accounting system, as well as the reliability of the latter in correctly representing operating data, the procedures to implement corporate governance regulations required by governance codes prepared by companies managing regulated markets or trade associations, which the Company, through disclosure to the public, declares it adopts, and the adequacy of provisions issued by the Company to subsidiaries.

At present, the Board, whose term of office will end with the Shareholders' approval of the Financial Statements at 31 December 2019, comprised:

Mauro Lonardo, Francesca Meneghel, Ezio Maria Simonelli, Regular Auditors; Stefano Sarubbi, Flavia Daunia Minutillo and Riccardo Perotta, Alternate Auditors. Attachment F to this report shows the composition of the Board of Statutory Auditors.

The Chairman of the Board of Statutory Auditors is Mauro Lonardo, who was first in the minority list.

Two lists were presented at the Shareholders' Meeting of 28 June 2017 (610,567,493 shares, or 51.69% of the share capital)⁵².



The curricula vitae of the members of the Board of Statutory Auditors may be consulted on the Company's website and are also shown in Attachment G to this report.

The composition of the Board of Statutory Auditors has not changed since the end of the reporting period.

DIVERSITY CRITERIA AND POLICIES

On 24 April 2018 the Board of Directors approved the adoption of a policy on the composition of the Board of Statutory Auditors pursuant to the provisions of paragraph 2, letter d-bis of Article 123 of the TUF, as well as the recommendations of the Corporate Governance Code for Listed Companies. The Board of Statutory Auditors, the Governance and Appointments Committee and the Control and Risks Committee, the latter having advisory functions in the area of sustainability, were involved in the adoption of the Policy on the Board of Statutory Auditors' Diversity and expressed prior favourable opinion to the Board regarding the Policy. This policy, set out in Attachment H to this Report, contains guidelines and recommendations that have been considered functional to achieving the objective of a Board of Statutory Auditors made up of individuals capable of effectively carrying out their mandate.

The Board of Statutory Auditors ascertained that the current composition met recommendations, and that objectives of the Policy on diversity had been met.

During 2018, the Board of Statutory Auditors met 22 times. On average, each meeting lasted approximately 2 hours. For 2019, 16 meetings have been scheduled, of which 5 have already been held.

⁵²The first list was presented by the shareholder Fininvest S.p.A. The second list was presented by the following shareholders:

ALETTI GESTIELLE SGR S.P.A. (Fund manager: Gestielle Cedola Italy Opportunity and Gestielle Obiettivo Italia), ANIMA SGR S.P.A. (Fund manager: Anima Italia, Anima Geo Italia and Anima Iniziativa Italia), ARCA S.G.R. S.P.A. (Fund manager: Arca Azioni Italia), FIDEURAM ASSET MANAGEMENT (IRELAND) (Fund Manager: Fonditalia Equity Italy and Fideuram Fund Equity Italy), FIDEURAM INVESTIMENTI SGR (Manager of Fideuram Italia fund), INTERFUND SICAV (INTERFUND EQUITY ITALY), GENERALI INVESTMENTS LUXEMBURG SA (Fund manager: GIS Euro Equity Mid Cap), LEGAL & GENERAL ASSURANCE (Pensions Management) LIMITED, MEDIOLANUM GESTIONE FONDI SGR SPA (Fund manager: Mediolanum Flessibile Futuro Italia, Mediolanum Flessibile Globale e Mediolanum Flessibile Sviluppo Italia), MEDIOLANUM INTERNATIONAL FUNDS – CHALLENGE FUND – CHALLENGE ITALIAN EQUITY, PLANETARIUM FUND ANTHILIA SILVER

As disclosed to the market upon appointment by the Shareholders' Meeting of 28 June 2017, all the Statutory Auditors declared that they met the requirements for the office set forth by law and by the by-laws. On 18 December 2018, in accordance with the requirements of the Code, aimed at ensuring that the statutory auditors satisfy the independence requirements, the Board of Statutory Auditors assessed whether its members satisfy said independence requirements. Outcomes were notified to the Board on 12 March 2019.

On 18 December 2018, the Board of Statutory Auditors verified the correct application of the criteria and procedures used by the Board to evaluate the independence of directors. In particular, with reference to assessments made by the Governance and Appointments Committee, concerning the Director Francesca Mariotti still meeting independence requirements, following her notification that she had married an employee of Fininvest S.p.A., the Board considered the assessment in line with recommendations of the Corporate Governance Code.

Before meetings, Statutory Auditors are given documents on items to evaluate and resolutions to be passed.

The Board of Statutory Auditors also monitored the independence of the independent auditors, verifying compliance with relevant regulatory provisions regarding the nature and extent of the various services supplied to Mediaset and its subsidiaries by the independent auditors and by entities belonging to their network. The Board of Statutory Auditors had no objections to report.

With regard to the requirements for the Statutory Auditors, it is reported that the Board of Statutory Auditors currently in office satisfies all legal requirements.

When performing its activities, the Board of Statutory Auditors coordinated with the Internal Audit department, the Control, Risk and Sustainability Committee, the Governance and Appointments Committee and Related Parties Committee, and also participated in all Committee meetings, including Compensation Committee meetings.

Information is exchanged regularly between the Board of Statutory Auditors and the Chairmen of the Boards of Statutory Auditors of the subsidiaries. The Board also met with the Supervisory and Control Body of Mediaset.

The Chairman of the Board of Directors ensured that the Statutory Auditors, after their appointment and during their term of office, were able to take part in initiatives designed to give them adequate knowledge of the business sector in which the Group operates, of the company dynamics and their development, as well as of the legal and regulatory framework⁵³.

The Board of Statutory Auditors' compensation is determined, pursuant to the Bylaws, by the Shareholders' Meeting. For detailed information on the compensation of members of the Board of Statutory Auditors, reference is made to the Compensation Report of the Company⁵⁴.

15. RELATIONS WITH SHAREHOLDERS

The Company's website publishes financial information (financial statements, half-year reports and periodic additional financial information, presentations to the financial community and the performance of Stock Exchange transactions involving financial instruments issued by the Company) as well as data and documents that are of interest to shareholders (press releases, the composition of Company bodies and committees, the Company Bylaws, the regulations of the Shareholders' Meeting and minutes of General Meetings, as well as documents and information on corporate governance and the compliance programme pursuant to Legislative Decree no. 231/2001). On the same website, in the "Corporate / Sustainability" section, the Non-Financial Statement is also available.

⁵³ Can be consulted at chapter 4.2 Composition - "Induction Programme".

⁵⁴ Additional information is available at the website www.mediaset.it

In order to establish an ongoing relationship with the shareholders, based on an understanding of the respective roles, the Board of Directors identified the Chief Financial Officer of the Group Marco Giordani as the officer in charge of managing relations with the shareholders.

For this purpose the Chief Financial Officer is assisted by the following two functions that report directly to him:

- the Company Affairs Department, which oversees relations with Retail Investors and Institutional Entities (CONSOB, Borsa Italiana);
- The Investor Relations Department, which oversees relations with the financial community (financial analysts, institutional investors and ratings agencies).

In January, the financial calendar with details of main financial events, is reported to the market and published on the Company's website.

The contact details and telephone numbers of the Corporate Affairs Department and Investor Relations Department are also published on the Company's website.

16. SHAREHOLDERS' MEETINGS

The Shareholders' Meeting brings together the Company's management and shareholders.

In convening, planning and managing Shareholders' Meetings, particular attention is paid to encouraging Shareholder involvement, and to guaranteeing the highest standards of information given during meetings, in compliance with restrictions and procedures for disseminating price-sensitive information.

The Shareholders' Meeting, when duly established, represents all shareholders and its resolutions, passed in conformity to law, are binding on all shareholders, even if absent or in disagreement. The Shareholders' Meeting meet in cases and according to procedures established by law, at the registered office of the Company or elsewhere, provided the venue is in Italy. As established by Article 9 of the Company Bylaws, the Shareholders' Meeting shall be convened by a notice published according to law, containing the date, time and venue, items to discuss, as well as any other information that is required by laws in force. The notice and documentation concerning the items in the agenda must be published on the Company's website within the terms required by the law, in accordance with the methods established by the legislation in effect.

The Board of Directors promotes initiatives to encourage the utmost shareholder involvement in meetings and facilitate the exercise of their rights, acting to limit restrictions and obligations that make it difficult or expensive for them to take part in the Shareholders' Meeting and exercise their right to vote regulated by Article 11 of the Company Bylaws.

Each shareholder who has the right to take part in the Shareholders' Meeting may be represented by written proxy, pursuant to law. According to the provisions of Article 135 - undecies of the TUF, the Company has identified as delegated representative for the 2018 shareholders' meetings the company Computershare S.p.A. with registered office in Milan, via Lorenzo Mascheroni 19 to which the shareholders can grant a proxy, with voting instructions on all or some of the proposals on the agenda. The notice convening the Shareholders' Meeting indicates all relevant information.

Generally, all directors take part in Shareholders' Meetings. The Meetings are an opportunity to inform shareholders about the Company, in compliance with regulations on inside information.

The Shareholders' Meeting is chaired by the Chairman of the Board of Directors, and, in his absence, by the Deputy Chairman.

During the Shareholders' Meeting, the Board of Directors reports on activities carried out, referring to Directors' Reports, previously published in accordance with the law and regulations, and replying to requests for clarifications from shareholders. The draft financial statements and consolidated financial statements, and relative reports, as well as the Directors' report on proposals concerning items on the agenda is handed out to those attending the meeting and sent to Shareholders who have taken part in previous meetings, to ensure they are given adequate information on the elements necessary to make informed decisions.

The purpose of the voting system used at the Shareholders' Meeting (remote control) is to facilitate shareholders in exercising their rights and guarantee that voting results are immediately available.

The Shareholders' Meeting has all powers established by law⁵⁵. The Shareholders' Meeting's Regulations govern the proceedings of the Shareholders' Meeting.

In the Shareholders' Meeting of 27 June 2018, 13 directors took the floor.

17. CHANGES AFTER THE END OF THE REPORTING PERIOD

No changes to the corporate governance structure took place after the end of the 2018 reporting period.

18. CONSIDERATIONS ON THE LETTER OF 21 DECEMBER 2018 OF THE CHAIRMAN OF THE CORPORATE GOVERNANCE COMMITTEE

During the meeting on the Board's self-assessment, the "Main areas for improvement identified in 2018", contained in the letter of the Chairman of the Corporate Governance Committee of 21 December 2018 were reviewed; Directors contributed opinions concerning these areas for improvement, confirming the adequacy of measures adopted by the Board; in more detail, as regards each of the four areas, the following information is reported:

1. Pre-board meeting disclosure: the assessment of Directors on the adequacy and timeliness of information flows was positive, also considering findings described in the section on self-assessment.
2. Independence: the Directors considered the analysis of criteria to be accurate and in-depth, in formal and substantial terms, resulting in a thorough assessment of the independence of each Director.
3. Board evaluation: procedures are structured and explained well in the Report on corporate governance and ownership structure, with the actual involvement of the Governance and Appointments Committee in coordinating the annual self-assessment process.
4. Adequacy of compensation policies: directors were satisfied with the work carried out by the Compensation Committee and Board on remuneration policies.

⁵⁵Pursuant to the Company Bylaws, assigning powers to the administrative body to resolve on matters that by law are assigned to the Extraordinary Shareholders' Meeting (resolutions regarding mergers and demergers in cases provided for by Articles 2505, 2505-bis and 2506-ter of the Italian Civil Code, the opening or closing of secondary sites, appointing directors to represent the Company, reducing share capital in the case of withdrawal of a shareholder, making amendments to the Company Bylaws to take into account legal provisions), do not diminish the powers of the Shareholders' Meeting to pass resolutions on such matters. As regards the establishment and resolutions of the Ordinary and Extraordinary Shareholders' Meetings, on first and subsequent calls, relative legal provisions apply.

ATTACHMENT A

Company Bylaws Board of Directors

Article 17)

1. The Company is managed by a Board of Directors, consisting of seven to fifteen Directors, who may be re-elected.
2. Before appointing the Board, the Shareholders' Meeting determines the number of members of the Board and their term of office, in compliance with the time limits established by law.
3. The Board of Directors is appointed by the Shareholders' Meeting based on lists, which may contain a maximum of twenty-one candidates, each numbered consecutively, from one to the number of candidates specified in the list. Lists can be presented by the shareholders or by the Board of Directors.
4. Each candidate may only be in one list. Failure to observe this provision will make the candidate ineligible for election.
5. Each shareholder may not present, or contribute to present, or vote for more than one list, even through an intermediary or trust company. Shareholders belonging to the same group - namely the parent company, subsidiaries and companies subject to joint control - and shareholders that take part in a shareholders' agreement pursuant to Article 122 of Italian Legislative Decree 58/1998 relative to shares of the Company, may not present, or take part in presenting, or vote for more than one list, even through an intermediary or trust company.
6. Lists may only be presented by shareholders who have voting rights and who, either alone or together with other shareholders, represent at least the percentage of subscribed share capital at the time of presenting the list, established and published by Consob pursuant to regulation adopted by resolution no. 11971 of 14 May 1999 as amended, as, from time to time, specified in the notice of Shareholders' Meeting called to resolve on the appointment of the Board of Directors.
7. Ownership of the minimum amount of shares as per paragraph 6, required to present the lists, shall be calculated by taking into account the shares that are registered in the shareholder's name on the day when the lists are filed at the Company.
Certification proving ownership may also be presented after the list has been filed, provided this is within the deadline for the company to publish the lists.
8. In order to decide on directors to elect, lists that do not have a number of votes at least equal to half that required by the Company Bylaws or by pro tempore laws in force on the presentation of lists, will not be considered.
9. Each list shall include at least two candidates who meet the requirements for independence established by pro tempore laws in force, indicating them separately. Moreover, each list with at least three candidates shall indicate candidates of different gender, as indicated in the notice convening the meeting, in order to comply with pro tempore laws on gender balance.
10. Each list must be accompanied by (i) the professional curricula of the candidates, containing exhaustive information on their personal and professional characteristics, (ii) the certification of their eligibility, if any, to qualify as independent, in accordance with the pro tempore law in force, (iii) the statements by which individual candidates accept their candidature and declare, under their own responsibility, that no reasons exist preventing them from being elected or making them incompatible as established by law, and that they meet the requirements of law and regulations for members of the Board of Directors and (iv) the additional information required by the pro tempore laws in force and by the by-laws, which shall be specified in the notice of call.
11. Each list must be signed by the shareholders presenting them, and filed at the Company's registered office within twenty-five days prior to the date of the Shareholders' Meetings on first or single call, without prejudice to the terms established by law for filing notices convening meetings subsequent to meetings on first call, and made available to the public, according to pro tempore laws in force.
12. Without prejudice to the possibility to produce certification proving the ownership of shares according to the terms in paragraph 7 herein, when presenting lists, information shall be given relative to the identity of shareholders submitting the list, indicating the percentage of their total shareholding.
13. Shareholders other than those that hold, also jointly, a controlling or relative majority shareholding shall also present a statement certifying the absence of any relationships with the latter, as provided for by law.
14. The list presented by the Board of Directors must (i) be filed and made public, in accordance with the regulations as from time to time applicable to the lists presented by shareholders, within thirty days prior to the date of the Shareholders' Meetings on first or single call, without prejudice to the terms established by law for filing notices convening meetings subsequent to meetings on first call, and made

available to the public, according to pro tempore laws in force and (ii) satisfy, mutatis mutandis, the requirements established for the submission of lists by shareholders.

15. Any lists presented without observing the above provisions shall be intended as not presented and not included in the voting.

16. The election of the Board of Directors shall take place as follows:

(a) from the list that obtained the highest number of votes (the "Majority List"), according to the progressive order in which they were listed, all the directors to be elected are drawn minus two, if the number of members of the Board of Directors to be elected is between seven and eleven, or three if the number of members of the Board of Directors to be elected is between twelve and fifteen. The office of Chairman of the Board of Directors will be assigned to the candidate listed first in the Majority List;

(b) the remaining members of the Board of Directors are drawn from the lists that are not connected in any way, including indirectly, with the shareholders who presented or voted for the Majority List (the "Minority Lists").

17. The votes obtained by each of the Minority Lists are divided by whole consecutive numbers from one up to the number of directors to be elected. The quotients obtained in this way are progressively attributed to the candidates of each Minority List, following the order in each list. The quotients attributed to the candidates of the Minority Lists are put in a single ranking in decreasing order. Those who obtained the highest quotients are elected as Directors, up to the number required to complete the composition of the Board of Directors.

18. If more than one candidate in the Minority Lists have obtained the same quotient, the candidate in the list from which no director has yet been elected or from which the lowest number of directors has been elected, shall be elected. If none of these lists have elected a director or have all elected the same number of directors, the candidate from these lists with the highest number of votes will be elected. In the event of a tied vote between lists and with the same quotient, a second ballot shall be held by a new vote by the entire Shareholders' Meeting, with the candidate obtaining the simple majority of votes being elected.

19. If, by following the previously defined procedure, the composition of the Board cannot be completed, the additional members shall be elected by taking candidates from the Majority List, in the order in which they are listed, not yet elected who fulfil the independence and gender requirements set forth by the pro tempore law in force.

20. If the composition of the Board obtained by applying the preceding paragraphs does not ensure gender balance, taking into account the order in which they are listed, the last elected in the Majority List of the most represented gender shall be removed by a number necessary to ensure compliance with the requirement, and shall be replaced by the first non-elected candidates from the same list of the less represented gender. In the absence of a sufficient number of candidates of the less represented gender in the Majority List, the shareholders' meeting shall appoint the missing directors according to the majority established by law, ensuring satisfaction of the requirement. The replacement of elected members of the most represented gender who satisfy the independence requirements prescribed by the pro tempore laws in force must in any case be made with candidates who meet the same requirements.

21. The same procedure shall apply mutatis mutandis if the number of independent directors required by the pro tempore laws in force has not been elected.

22. If only one list has been presented, the Shareholders' Meeting votes on the list and if the relative majority is obtained, candidates listed in consecutive order, up to the number established by the General Meeting, are elected, without prejudice to compliance with requirements established by pro tempore laws in force and the Company Bylaws on the composition of the Board of Directors, and in particular on gender balance. The candidate in first place on the list shall be elected as Chairman of the Board of Directors.

23. If no lists are presented or if application of the criteria referred to in the preceding paragraphs does not allow for all the members of the Board of Directors to be elected, the Shareholders' Meeting shall forthwith appoint the missing directors by resolution adopted by simple majority, on the proposal of those in attendance who have the right to vote, ensuring compliance with the requirements set forth by the pro tempore laws in force and by the Bylaws with regard to the composition of the Board of Directors and, especially, with regard to gender balance.

24. The voting procedure with lists is only applied in the case of renewal of the entire Board of Directors.

25. If one or more directors no longer holds office, for any reason whatsoever, directors remaining in office shall replace them by co-option, ensuring, in any case, compliance with requirements established by pro tempore laws in force and by the Company Bylaws on the composition of the Board of Directors, and in particular, concerning gender balance. Directors, appointed pursuant to Article 2386 of the Italian Civil Code, are elected by the Shareholders' Meeting with the majorities established by law, so as to ensure compliance with requirements established by pro tempore laws in force and by the Company

Bylaws on the composition of the Board of Directors, and in particular, concerning gender balance; directors appointed in this manner remain in office until the term of office of other directors expires.

ATTACHMENT B**Personal and professional profiles of Directors**

FEDELE CONFALONIERI - Fedele Confalonieri was born in Milan on 6 August 1937. He graduated with a degree in Law from Milan University. He is a member of the Advisory Board of Confindustria and Assolombarda. He is a Board Member of the Italian daily newspaper "Il Giornale", Chairman of the Veneranda Fabbrica del Duomo in Milan and a member of the General Council of Confindustria Radio Televisioni. He is also Director and Deputy Chairman of the Board of Mediaset España Comunicación S.A.

PIER SILVIO BERLUSCONI - Pier Silvio Berlusconi was born in Milan on 28 April 1969. He began his professional career in 1992 in the marketing department of Publitalia, moving on to the Italia 1 television network. In November 1996 he became Manager for the coordination of content and programmes of Mediaset networks. In 1999 he was appointed Deputy Director General of Content R.T.I.. He has been Deputy Chairman of the Mediaset Group since April 2000, besides being Chairman and Chief Executive Officer of R.T.I. In April 2015, he was appointed Chief Executive Officer of Mediaset S.p.A. He is also on the Board of Directors of the following companies: Arnoldo Mondadori Editore S.p.A., Fininvest S.p.A. and Publitalia '80 S.p.A.

MARINA BERLUSCONI - Marina Berlusconi was born in Milan on 10 August 1966. She joined the company at a very young age and has always been deeply interested and involved in the management and development of the Group's economic and financial strategies. In July 1996, she was appointed Deputy Chairman of Fininvest S.p.A., a position she held until October 2005, when she was appointed Chairman of the holding company. Since February 2003 she has been the Chairman of Arnoldo Mondadori Editore S.p.A. She is also a Director of Mondadori France SAS.

MARINA BROGI - Marina Brogi was born in Rome on 15 July 1967. She holds a Degree in Economics and Politics from Bocconi University, awarded in 1988 with Professor Tancredi Bianchi as supervisor, and completed her studies at the London Business School. She is Full Professor in International Banking and Capital Markets at the Faculty of Economics, La Sapienza University Rome, where she held the post of Deputy Dean from 2011 to 2017. She is Chair of the Technical/Scientific Committee of the Italian Association of Financial Industry Risk Managers (AIFIRM). She is a Member of the Scientific Committee of the Confindustria Studies centre. From 2014 to 2016 she was with the Securities and Markets Stakeholder Group of ESMA. She has been a committee member for numerous competitive state examinations for CONSOB, and has acted as expert for the Ministry of the Interior and assisted the XI Labour Commission of the Senate and VI Finance Commission of the Chamber of Deputies. Since 2008, she has been a board member of listed and unlisted companies. At present she holds the position of Independent Director and Chairman of the Remuneration and Appointments Committee of Salini-Impregilo; She is an Independent Director and Chairman of the Related Parties Committee of Banco di Desio e della Brianza. She has previously been Lead Independent Director for Luxottica; She is on the supervisory board of A2A and UBI Banca; she is an Independent Director of Prelios; UBI Pramerica SGR.

ANDREA CANEPA - Andrea Canepa was born in Milan on 21 November 1961. Andrea Canepa holds a Degree in Law from Milan University, and attended a specialist post-graduate course at Bocconi University SDA "Corporate General Counsel", qualifying as a lawyer. His professional experience has mainly been in corporate law, with a particular focus on regulation and the corporate governance of listed issuers and management of extraordinary transactions. He held corporate management positions for Montedison S.p.a. from 1989 to 1996, was Legal and Corporate Affairs Manager of the Manuli Group

from 1997 to 1999, and Corporate Affairs Manager from 2000 to 2008, becoming General Counsel Legal and Corporate Affairs Director from 2008 to 2013 for the Mondadori Group. He is a corporate consultant with the Studio Legale Spada legal practice in Milan and is a consultant for Corporate Affairs and Governance of the Reno de Medici Group.

RAFFAELE CAPPIELLO - Born in Rome on 17 September 1968. Raffaele Cappiello holds a First-Class Degree in Law from La Sapienza University, Rome. Since 1992 he has been a legal consultant, also acting as counsel in legal proceedings regarding corporate, banking, financial and insolvency law for the legal practice of Professor Libonati, Rome. He was partner of the "Libonati-Jaeger" professional association until 2010, when he set up his own practice in Rome. He is a Lecturer of Business Law at the School for Legal Professional Specialisation of La Sapienza University, Rome (2013/2018) and of Insolvency Law for the Master's Course for insolvency practitioners at the Università degli Studi Niccolò Cusano University (since 2018). He has been a member of the Financial Banking Arbitration Board of Rome since 2015. He has been appointed to act in insolvency proceedings by Courts, the Italian Ministry of Economic Development and Bank of Italy, in a capacity as: Receiver of Gruppo Cotorossi (in extraordinary administration), Gruppo Cogolo (in extraordinary administration), Gruppo Altiforni e Ferriere di Servola (in extraordinary administration), Cavirivest s.p.a. (in extraordinary administration); Liquidator of Il Manifesto soc coop (in compulsory liquidation) and Official Receiver in the creditor arrangement proceedings of Acqua Marcia RE spa.. He has held positions as independent director in financial and listed companies. At present, he holds the following positions: Minority interest-appointed independent director of B&C Speakers SpA, listed on the Milan Stock Exchange, Director of the S.I.A.E. Pension Fund. Chairman of the Advisory Board of Fondo Igea - the mutual investment fund for qualified investors of Prelios SGR spa, Member of the Advisory Board of Fondo Tessalo - the closed, reserved alternative investment fund managed by DeA Capital Real Estate SGR SpA.

COSTANZA ESCLAPON DE VILLENEUVE - Costanza Esclapon De Villeneuve was born in Florence on 28 September 1965. She is the Founder and Chair of Csc Vision, a strategic communication consulting company, and was Director of Communications and External Relations for RAI, from 2012 to 2016. She previously held the position of Director of External Relations for Wind and Alitalia, and was press office director for Intesa Sanpaolo and Enel.

She has taught Communication at La Sapienza University, Rome. She received the Bellisario Award in 2013 and is on the board of FAI.

GIULIO GALLAZZI - Giulio Gallazzi was born in Bologna on 8 January 1964. He was awarded a Degree in Business and Economics in 1987, and an MBA from SDA Bocconi Milan in 1990, and went on to be a Visiting Scholar at the Harvard Business School. He is the founder and current Chairman and CEO of SRI Group, an international holding which controls nine operating companies with strong links on a strategic business level, based in London and with offices in Milan, Rome, Brussels, Shanghai and Beijing, active in numerous joint ventures set up in 15 countries across the globe. The Group is a major player for European companies that put international development at the centre of their own strategies. The SRI Group operates in areas including Business Development, Corporate Finance, International Business Management, Corporate and Governance Restructuring. Over the years, it has gained considerable experience in private equity operations in the banking and insurance, industrial hi-tech and sports and entertainment sectors, gaining considerable experience in managing strategic change from the traditional economy to the digital economy, in international finance and industry. He was a Board Director of Ansaldo STS from 2014 to 2016, a leading Italian company at international level in railway and underground transport signalling technologies.

He served on the board of the Banca Carige Group from 2016 to 2018, where he oversaw a governance crisis and was appointed Chairman of the Board to run the bank up to the shareholders' meeting, at a particular time of transition with the Bank involved in a difficult turnaround strategy, which is still ongoing. He has published numerous papers and articles on company development and sustainable finance. He had an important sporting career in his youth and was European American football champion playing for Italy as captain in 1987. He was also Italian champion in 1986 with the Bologna Warriors team. In 1988 he was voted MVP of the championships.

MARCO GIORDANI - Marco Giordani was born in Milan on 30 November 1961. He was awarded a degree in Economics and Business from Bocconi University, Milan. Since 2000 he has been Chief Financial Officer of the Mediaset Group. He is Chairman of Mediaset Premium S.p.A., Monradio S.r.l., RadioMediaset S.p.A. and Virgin Radio Italy S.p.A. He is also Chief Executive Officer of R.T.I., Board Director of Mediaset S.p.A., Mediaset España Comunicación S.A., Publitalia '80 S.p.A., Medusa Film S.p.A., 2i Towers Holding S.p.A. and 2i Towers S.p.A., as well as a member of the Mediaset Executive Committee. From 1998 to 2000, he worked for IFIL S.p.A., as Head of Investment Control, and was subsequently appointed Board Director and Executive Committee member of LA RINASCENTE S.p.A., as well as Director of S.I.B. (Società Italiana Bricolage). In 1991 he became Finance Manager of the RINASCENTE Group and Chief Financial Officer in 1997.

FRANCESCA MARIOTTI - Francesca Mariotti was born in Frosinone on 16 March 1973. She is a lawyer and registered auditor. She has been Director of Tax Policies for Confindustria, the main association representing manufacturing and service companies in Italy, bringing together other 150,000 member businesses, since 2014. She has been responsible for the technical definition of the tax policies promoted by the Association; she has analysed and steered economic and accounting policy for member businesses, engaging with national and international organisations. She served on the ministerial committee to align regulations on business income with international accounting standards, and with the commission on tax erosion and tax expenditure revision set up by the Ministry for Economy and Finance, in 2007 and 2011 respectively. Before arriving at Confindustria, she gained over ten years' experience in taxation, initially with KPMG International Studio Associato, and later in the banking and cooperation industries, at Federcasse - the Italian Federation of Cooperative and Small Banks. She has written various articles and papers on taxation and been a speaker at conferences. She lectures on masters courses and is also a trainer.

GINA NIERI - Born in Lucca on 2 December 1953, she has two daughters. She earned a degree in Political Sciences from Pisa University and specialised in journalism and mass communication at Luiss University, Rome. She has been working in commercial television since 1977, firstly as General Secretary of FIEL, the first association of "free" broadcasters. She then joined FRT - the Federation of Radio and Television Operators - as Director remaining until 1990, when she joined the FININVEST GROUP as Manager for Relations with Trade Associations. Currently at MEDIASET, she holds the position of Director of Institutional and Legal Affairs and Strategic Analysis. Since June 2007 she has been Deputy Chairman of R.T.I. S.p.A., and a board member since 1999. In June 2018 she was confirmed member of the Board of Directors of Mediaset S.p.A., a position that she has held since 1998, and member of the Executive Committee. In April 2017, she was appointed to the Board of Directors of Publitalia '80 2018 S.p.A.. In April 2018, she was appointed Director of Mediaset España Comunicación S.A. She serves on the Board of Directors of Class CNBC S.p.A.. From 2000 to 2005 she was a member of the Board of Directors of ALBACOM S.p.A representing Mediaset. She is member of the General Council of CONFINDUSTRIA. She is member of the President's Committee of the Master in Marketing, Digital Communication and Sales Management di PUBLITALIA. She has participated and participates in

work groups at the European Commission, on matters concerning the protection of minors, also on the Internet, pluralism of the media, management of the radio spectrum and copyright. On 27 December 2012 she was awarded the title "Commendatore dell'Ordine al Merito della Repubblica Italiana" (Commander of the Order of Merit of the Italian Republic).

DANILO PELLEGRINO - Danilo Pellegrino was born in Milan on 18 September 1957. While studying Business and Economics at Cattolica University, Milan, he joined Magneti Marelli S.p.A., a Fiat Group company, in 1975, holding various positions in Administration and Control. At present he is Chief Executive Officer of Fininvest S.p.A., Chairman of Il Teatro Manzoni, Milan, Alba Servizi Aerotrasporti and ISIM and is on the board of Società Sportiva Monza 1912 S.p.A., a Fininvest Group company. He is a Board Director of Arnoldo Mondadori Editore S.p.A.

NICCOLO' QUERCI - Niccolò Querci was born in Florence on 10 May 1961. He was awarded a degree in Law from Siena University in 1986 and a Master's in Business Communication in 1988. Since 2007 he has been Central Manager of Human Resources and Operations in the Mediaset Group and Deputy Chairman of Publitalia '80 S.p.A.. Since late 2014, he has been Central Manager, Procurement. From 2006 to 2010 he was Chairman of Media Shopping S.p.A.. Since 2003 he has been Managing Director of R.T.I S.p.A. for Human Resources, General Services and Safety. Since 2001 he has been Deputy Chairman of R.T.I. S.p.A.; from 1999 to 2006 he was Director of artistic resources, productions, entertainment and sport and, until 2008, he was Manager for diversified and new business activities of the Group. From 1992 to 1999 he was Assistant and Secretarial Officer of Silvio Berlusconi, holding various organisational positions over the years. From 1989 to 1992 he was Key Account Manager and assistant Chairman and Chief Executive Officer of Publitalia '80, and Account Executive from 1987 to 1988 at P. T. Needham. He is also director of Mediaset S.p.A. and on the Executive Committee of Mediaset España Comunicación S.A..

STEFANO SALA - Born in Milan on 23 September 1962; he is married and has three children. He holds a degree in business management from "Luigi Bocconi" University in Milan. He has been Board Director of Mediaset S.p.A. (since April 2015) and is on the Executive Committee. He has been a Director of RTI S.p.A (since April 2017), Chief Executive Officer of Publitalia '80 (since April 2014), Chief Executive Officer of Digitalia '08 S.r.l (since December 2012), Chief Executive Officer of Publieurope Lmt (since April 2017), Deputy Chairman of Mediamond (since February 2015), Director of RadioMediaset S.p.A. (since June 2016). From December 2012 to March 2014 he was Commercial Managing Director of Publitalia '80 S.p.A. From January 2009 to November 2012 he held the office of and Chief Executive Officer of GroupM Italy. Between March 2006 and December 2008 he was Chairman and Chief Executive Officer of Mediaedge: Cia Italy and Executive Vice President of Groupm Italy. From January 2004 to February 2006, he was Chairman and Chief Executive Officer of Mindshare Italy; earlier, from May 2001 to December 2003, he was Managing Director of Mindshare Italy. From May 1999 to April 2001 he was Managing Director of CIA Italy; earlier, from April 1998 to April 1999, he was Sales manager for CIA Italy. From April 1996 to March 1998 he was Sales manager with Cairo Pubblicità. From March 1991 to March 1996, he worked with Telepiù Pubblicità as Sales Manager and earlier as Sales Executive.

CARLO SECCHI - Born in Mandello del Lario (Lecco) on 4 February 1944. He is an Emeritus Professor of European Political Economy at Bocconi University Milan, also acting as Rector from 2000 to 2004. He was a Member of the European Parliament during the fourth legislature (1994-1999), where he was Deputy Chairman of the Economic and Monetary Commission. He was a Senator of the Italian Republic during the twelve legislature (1994-96). He is a member of governing bodies of technical/scientific Foundations and Institutes. He is Deputy Chairman of ISPI (Institute for International Political Studies of

Milan). He was a member of the Board of Directors of Veneranda Fabbrica del Duomo (1996-2017). He is on the Board of Mediaset S.p.A.. In 2014 he was appointed Chairman of the Supervisory Board of Pirelli S.p.A. Since 2009 he has been European Coordinator of TEN - T priority projects (Atlantic Corridor). He is the author of books and numerous articles on international commerce and economy, economic integration and European issues.

The company Arnoldo Mondadori Editore S.p.A. belongs to the Fininvest Group, of which Mediaset S.p.A. is a part.

ATTACHMENT C

Diversity Policy of the Board of Directors of Mediaset S.p.A.

This Policy is adopted by the Board of Directors of Mediaset S.p.A. (the "Board" and the "Company"), in compliance with the laws, including Community law, on sustainability and the provisions of the Governance Code for Listed Companies (the "Board's Diversity Policy"). More specifically, the Board's Diversity Policy has been adopted in implementation of the provisions of Article 123-bis, paragraph 2, letter d-bis) of Legislative Decree no. 58 of 24 February 1998 ("TUF").

The Governance and Appointments Committee and the Control, Risks and Sustainability Committee, the latter having advisory functions in the area of sustainability, were involved in the adoption of the Policy on Board Diversity and both expressed prior favourable opinion to the Board regarding the Policy.

Objectives of the policy

Some objectives were set regarding the composition and functioning of the Board of Directors. In particular:

- A) from a quantitative point of view, the number of Board members must be adequate for the size and complexity of the organizational structure of the company and the Group;
- B) in terms of quality, in relation to the functioning of the body, it is proposed that the members of the Board should:
 - be fully aware of the duties that are required to perform and the associated responsibilities;
 - have professional skills that are adequate for the role to be filled, including in any of the Board's internal committees, and calibrated in relation to the characteristics of the Company;
 - have diversified and suitably distributed expertise among the members of the body, so that each of them, regardless of the sector of operation (Board or internal committee) can provide an effective contribution, including in identifying and pursuing appropriate strategies and ensuring effective corporate governance;
 - devote adequate time and resources with respect to the complexity of their task;

The guidelines and recommendations contained in this document have been considered functional to achieving the objective of a Board made up of individuals capable of effectively carrying out their mandate. This is considered possible only by taking measures both with respect to their candidacy and appointment, which involves various persons with different tasks (internal committees, Board, shareholders' meeting), and after the appointment, during the exercise of their duties in the continuous management of activities. To this end, the professional skills necessary to achieve this result must be clearly defined ex ante - and possibly reviewed over time to take account of any new situations or changes to be addressed - and the selection of candidates for the position of Directors and their appointment must take into account these guidelines and recommendations.

Elements of diversity

The Board, also based on the long-term experience gained during the board performance evaluation, recommends that the board structure includes a set of different and complementary expertise and experiences. To this end, the Board has identified the following elements of diversity:

- (i) consolidated experience - gained as executive director or manager with top management functions within industrial groups of significant size and/or complexity, operating in one or more of the business sectors comprised in the corporate purpose - and in-depth knowledge of

- the market in which the Company carries out its activities and of the developments in the said market in order for the Company's management to be entrusted to people with extensive expertise, experience, ability and strategic vision;
- (ii) consolidated experience - gained in professional firms, auditing firms, consulting firms or in the academic or institutional field - in legal, economic, financial and internal control and risk matters, in order to make a contribution to the knowledge of these matters that is relevant for the Company's activities and complementary to managerial experience.
 - (iii) consolidated managerial or professional international experience in the field of innovation applied to the media sector and knowledge of the international market so that the Company can benefit from such knowledge;
 - (iv) keeping an adequate number of Directors of the less represented gender - including when the legal provisions on gender balance cease to be effective - so that the Company can take advantage of the different points of view and experiences offered by gender diversity;
 - (v) majority of non-executive directors, with at least one third of them meeting the independence requirements established by law and by the Corporate Governance Code for the purposes identified by the mentioned Code;
 - (vi) balanced combination of different length of service and age groups, to balance the need for management continuity and renewal and to benefit from the different points of view and experiences that characterize the greater or lesser length of service and the individual age brackets.

Implementation of the Policy

In accordance with the Shareholders' prerogatives in the designation and appointment of the members of the Board, upon renewal of the management body, the Board shall express its view on the composition of the management body in the report to the shareholders, in order to make known the diversity criteria and objectives set out in the Board's diversity policy.

The Board of Directors shall take into account the indications contained in the Board's Diversity Policy in the event it is called to co-opt one or more members of the Board pursuant to Article 17 of the Bylaws.

The Governance and Appointments Committee shall take into account the indications set out in the Board's Diversity Policy in case it has to propose candidates to the Board for the purpose of replacing independent Directors.

The Governance and Appointments Committee and the Board of Directors shall take into account the indications contained in the Board's Diversity Policy if they have to identify candidates for the position of Director in case, upon of renewal of the body, the outgoing Board decides to make use of the option provided for in Article 17 of the Bylaws to present its own list of candidates.

Monitoring the implementation of the Policy and its updating

The Board, with the support of the Governance and Appointments Committee and the Control, Risk and Sustainability Committee with advisory functions on sustainability, is responsible for monitoring the results achieved from implementation of this Policy and the updating thereof.

The results deriving from the implementation of this Policy will be included in the corporate governance and ownership structure report envisaged by Article 123-bis of the Consolidated Law on Finance, starting from the year following the application of the policies described in this document.

ATTACHMENT D

TABLE 2: STRUCTURE OF THE BOARD OF DIRECTORS AND OF THE COMMITTEES

Board of Directors													Control, Risk and Sustainability Committee (1)			Compensation Committee (1)		Governance and Appointments Committee (1)		Executive Committee (1)		Related Parties Committee (1)	
Office	Members	Year of birth	Date of first appointment *	In office since	In office until	List **	Exec.	Non exec.	Indep. per Code	Indep. per TUF	Number other offices ***	(*) (1)	(*) (2)	(**) (3)	(*) (4)	(**) (5)	(*) (6)	(**) (7)	(*) (8)	(**) (9)			
Chairman (*)	Fedele Confalonieri	06/08/1937	16/12/1994	27/06/2018	31/12/2020	M	X					13/13						7/8	P				
Deputy Chairman Chief Executive Officer	Berlusconi Pier Silvio	28/04/1969	28/07/1995	28/06/2018	31/12/2020	M	X				2	13/13						4/8	M				
Director	Marina Berlusconi	10/08/1966	28/07/1995	27/06/2018	31/12/2020	M		X			2	6/13											
Director	Marina Brogi (1)	15/07/1967	27/06/2018	27/06/2018	31/12/2020	M		X	X	X	2	5/6	4/4	M	4/4	M			4/4	P			
Director	Andrea Canepa(1)	21/11/1961	27/06/2018	27/06/2018	31/12/2020	M		X	X	X		6/6			4/4	P							
Director	Raffaello Cappiello (1)	17/09/1968	27/06/2018	27/06/2018	31/12/2020	m		X	X	X	1	6/6					3/3	P					
Director	Costanza Esclapton de Villeneuve (1)	28/09/1965	27/06/2018	27/06/2018	31/12/2020	m		X	X	X		6/6	3/4	M									
Director	Giulio Gallazzi(1)	08/01/1964	27/06/2018	27/06/2018	31/12/2020	m		X	X	X		5/6							4/4	M			
Director	Marco Giordani	30/11/1961	20/03/2001	27/06/2018	31/12/2020	M	X					12/13						8/8	M				
Director	Francesca Mariotti(1)	16/03/1973	27/06/2018	27/06/2018	31/12/2020	M		X	X	X		6/6		4/4	M	3/3	M						
Director	Gina Nieri	02/12/1953	28/09/1998	27/06/2018	31/12/2020	M	X					13/13						8/8	M				
Director	Daniilo Pellegrino(1)	18/09/1957	27/06/2018	27/06/2018	31/12/2020	M		X			2	5/6											
Director	Niccolò Querci	10/05/1961	22/04/2009	27/06/2018	31/12/2020	M	X					13/13						4/4	M				
Director	Stefano Sala	23/09/1962	29/04/2015	27/06/2018	31/12/2020	M	X					12/13						3/4	M				
Director	Carlo Secchi	04/02/1944	20/04/2006	27/06/2018	31/12/2020	M		X	X	X		12/13	11/11	P			2/2 P 3/3 M		6/6	M			
DIRECTORS NO LONGER IN OFFICE DURING THE REPORTING PERIOD																							
Director	Giuliano Adreani	27/08/1942	29/05/1996	29/04/2015	31/12/2017	M	X					7/7						4/4					
Director	Franco Bruni	12/04/1948	29/04/2015	29/04/2015	31/12/2017	m		X	X	X		6/7	7/7	M									
Director	Paquale Carnatelli****	08/09/1947	30/04/1997	29/04/2015	31/12/2017	M		X				1/1											
Director	Mauro Crippa	26/04/1959	28/09/1998	29/04/2015	31/12/2017	M	X					7/7											
Director	Bruno Ermolli	06/06/1939	22/02/2001	29/04/2015	31/12/2017	M		X				1/7			0/2	M							
Director	Fernando Napolitano	15/09/1964	29/04/2015	29/04/2015	31/12/2017	m		X	X	X		7/7	5/7	M	2/2	M							
Director	Michele Perini	12/03/1952	22/03/2011	29/04/2015	31/12/2017	M		X	X	X		6/7		2/2	P	2/2	M		2/2	P			
Director	Alessandra Piccinino	31/08/1962	29/04/2015	29/04/2015	31/12/2017	m		X	X	X		7/7							2/2	M			
Director	Wanda Ternau	24/09/1960	29/04/2015	29/04/2015	31/12/2017	m		X	X	X		7/7				2/2	M						
Number of meetings held during the reporting period: 13													Control, Risk and Sustainability Committee: 11			Compensation Committee: 6		Governance and Appointments Committee: 5		Executive Committee: 8		Related Parties Committee: 6	
Indicate the quorum required for the presentation of lists by minorities for the appointment of one or more members (pursuant to Article 147-ter of the TUF): 1% (***)													Control, Risk and Sustainability Committee: 11			Compensation Committee: 6		Governance and Appointments Committee: 5		Executive Committee: 8		Related Parties Committee: 6	

NOTE
 * This symbol indicates the internal control and risk management system director.
 (1) The term of office of the Board of Directors ended with the Shareholders' Meeting of 27 June 2018. 7 meetings of the Board of Directors were held before this date and 6 meetings of the new Board of Directors were held after this date. Previously appointed directors - Marina Brogi, Andrea Canepa, Raffaele Cappiello, Costanza Esclapton de Villeneuve, Giulio Gallazzi, Francesca Mariotti and Daniilo Pellegrino, are indicated, who took part in the 6 meetings held during the year.
 (2) The term of office of the Control, Risk and Sustainability Committee ended with the Shareholders' Meeting of 27 June 2018. Before this meeting, 7 Committee meetings were held, and 4 meetings were held afterwards. The participation of the directors is calculated on the basis of 11 meetings for Carlo Secchi, 7 meetings for Franco Bruni and Fernando Napolitano, and 4 meetings for Costanza Esclapton de Villeneuve and Marina Brogi.
 (3) The term of office of the Compensation Committee ended with the Shareholders' Meeting of 27 June 2018. Before this meeting, 2 Committee meetings were held, and 4 meetings were held afterwards. The participation of the directors is calculated on the basis of 2 meetings for Michele Perini, Bruno Ermolli and Fernando Napolitano and 4 meetings for Andrea Canepa, Marina Brogi and Francesca Mariotti.
 (4) The term of office of the Governance and Appointments Committee ended with the Shareholders' Meeting of 27 June 2018. Before this meeting, 2 Committee meetings were held, and 3 meetings were held afterwards. The participation of the Directors is calculated on the basis of 5 meetings for Carlo Secchi, 2 meetings for Michele Perini and Wanda Ternau and 4 meetings for Marina Brogi and Giulio Gallazzi.
 (5) The term of office of the Executive Committee ended with the Shareholders' Meeting of 27 June 2018. Before this meeting, 4 Committee meetings were held, and 4 meetings were held afterwards. The participation of the Directors is calculated on the basis of 8 meetings for Fedele Confalonieri, Pier Silvio Berlusconi, Marco Giordani, Gina Nieri, 4 meetings for Niccolò Querci, Stefano Sala and Giuliano Adreani.
 (6) The term of office of the Related Parties Committee ended with the Shareholders' Meeting of 27 June 2018. Before this meeting, 2 Committee meetings were held, and 4 meetings were held afterwards. The participation of the Directors is calculated on the basis of 6 meetings for Carlo Secchi, 2 meetings for Michele Perini and Alessandra Piccinino, and 3 meetings for Raffaele Cappiello and Francesca Mariotti.
 * The date of the first appointment of each director means the date when the director was appointed for the first time (in absolute terms) to the Board of Directors of the issuer.
 ** This column shows the list from where each director was taken (*): majority list; "m": minority list; "BOD": list presented by the Board of Directors.
 *** This column shows the number of offices of director or statutory auditor held by the person concerned in other companies listed on regulated markets, also outside Italy, in the financial, banking, and insurance companies all companies of a significant size. In the Corporate Governance Report, appointments are indicated in full. Data on Directors no longer in office are not indicated.
 **** Stepped down from office on 25 January 2018
 (*) This column shows the participation of directors in Board meetings and Committee meetings respectively (indicate the number of meetings attended compared to the total number of those which they could have attended);
 (**) This column shows the qualification of the director on the Committee: "P": Chairman "M": member.
 (***) Shareholding applicable to the Company for presentation of lists by minorities as per Consob Resolution no. 20273 of 24 January 2018

ATTACHMENT E

**Company Bylaws
Board of Statutory Auditors**

Article 28)

1. The ordinary Shareholders' Meeting elects the Board of Statutory Auditors, consisting of three regular auditors and three alternate auditors, who remain in office for three financial years until the date of the Shareholders' Meeting convened to approve the Financial Statements of the third financial year. The auditors may be re-elected.

All Statutory Auditors shall be included in the register of auditors established pursuant to law and have carried out auditing for a minimum of three years.

Statutory Auditors shall meet requirements established by laws and by regulations in force, which shall be verified by the Board of Directors.

2. Statutory Auditors are appointed based on lists presented by shareholders, with the procedure established below. The lists shall indicate at least one candidate for the position of Regular Auditor and one candidate for the position of Alternate Auditor and may contain up to a maximum of three candidates for the position of Regular Auditor and a maximum of three candidates for the position of Alternate Auditor. The candidates are listed in consecutive order.

Each list consists of two sections. One is for candidates for the position of regular Auditor and the other for candidates for the position of alternate Auditor. Each candidate may only be in one list. Failure to observe this regulation will make the candidate ineligible.

Lists which, in the section for regular auditors, have at least three candidates shall include in the first two places of the same section, and in the first two places of the section of alternate auditors, candidates of a different gender.

3. Lists may only be presented by shareholders who have voting rights and who, either alone or together with other shareholders, represent the amount of share capital indicated in the Company Bylaws to present lists for the appointment of members of the Board of Directors. Each shareholder may not present, or take part in presenting, or vote for, more than one list, even through an intermediary or trust company. Shareholders belonging to the same group - namely the parent company, subsidiaries and companies subject to joint control - and shareholders that take part in a shareholders' agreement pursuant to Article 122 of Legislative Decree 58/1998 relative to shares of the Company, may not present, or take part in presenting, or vote for, more than one list, even through an intermediary or trust company.

Ownership of the minimum amount of shares required to present the lists, shall be calculated by taking into account (i) the shares that are registered in the shareholder's name on the day when the lists are filed at the Company and (ii) the share capital of the Company at such date.

The certification proving ownership may also be presented after the list has been filed, provided this is within the deadline for the company to publish the lists.

4. The lists, which shall include the professional curricula of candidates and be signed by the shareholders presenting them, shall be filed at the Company's registered office within twenty-five days prior to the date of the Shareholders' Meetings on first or single call, without prejudice to the terms established by law for filing notices convening meetings subsequent to meetings on first call, and made available to the public, according to pro tempore laws in force.

Without prejudice to the possibility to produce certification proving the ownership of shares according to the terms in paragraph three herein, when presenting lists, (i) information shall be given relative to the identity of shareholders submitting the list, indicating the percentage of their total shareholding, (ii) curricula of all candidates shall be submitted containing exhaustive information on their personal and professional profiles and (iii) additional information, required by pro tempore laws in force shall be provided, indicated in the notice convening the Shareholders' Meeting. Shareholders other than those that hold, also jointly, a controlling or relative majority shareholding shall also present a statement certifying the absence of any relationships with the latter, as provided for by law. Within the same deadline, statements shall be filed by which the individual candidates accept their candidature and declare, under their own responsibility, that no reasons exist preventing them from being elected or making them incompatible as established by law, and comply with limits on the number of positions held as per paragraph 5 hereinafter, and that they meet the requirements of laws, regulations and the Company Bylaws for members of the Board of Statutory Auditors, and the list of administration and control positions they hold in other companies.

5. Persons who hold a number of administration and control positions that exceeds limits established by pro tempore laws in force may not be elected as Statutory Auditors.

6. Lists presented without observing the above provisions shall be intended as not presented and not included in the voting.

7. Statutory Auditors are elected as follows:

a) from the list that obtained the highest number of votes, two regular auditors and two alternate auditors are selected, based on the consecutive order in which they appear in sections of the list;

b) from the second list which obtained the highest number of votes in the Shareholders' Meeting, of lists presented and voted by shareholders who are not related to reference shareholders, pursuant to Article 148, paragraph 2 of the TUF, the other regular auditor and other alternate auditor are selected, based on the consecutive order in which they appear in sections of the list.

8. If several lists have obtained the same number of votes, a ballot will be voted between these lists, in compliance with pro tempore laws in force, with the candidates from the list obtaining the simple majority of votes being elected.

9. The candidate in first place in the section of candidates for the position of regular auditor, elected pursuant to paragraph 7. b) above shall be appointed as Chairman of the Board of Statutory Auditors.

10. If the composition of the Board of Statutory Auditors obtained by applying the preceding paragraphs does not ensure gender balance, taking into account the order in which they are listed, the last elected in the list that has obtained the highest number of votes of the most represented gender shall be removed by a number necessary to ensure compliance with the requirement, and shall be replaced by the first non-elected candidates of the less represented gender in the List that has obtained the highest number of votes, the shareholders' meeting shall appoint the missing directors according to the majority established by law, ensuring satisfaction of the requirement.

11. If only one list is presented, the General Meeting votes on it. If the list obtains the relative majority, the three candidates in consecutive order in the relative section will be elected as regular auditors, and the three candidates in consecutive order in the relative section will be elected as alternate auditors; the Board of Statutory Auditors is chaired by the person ranking first in the section of candidates to this position in the presented list.

In the event of the death, resignation or end of the term of office of a regular auditor, the alternate auditor elected in first place will take over, provided this replacement ensures a gender balance. Otherwise, the auditor elected in second place will be appointed.

If the Chairman steps down from office, the Statutory Board of Auditors chooses and appoints a new Chairman from its members, who shall remain in office until the first subsequent Shareholders' Meeting, which shall make appointments to make up the numbers of the Board of Statutory Auditors.

12. Where no lists exist, the Board of Statutory Auditors and its Chairman are appointed by the Shareholders' Meeting with relative majorities established by law and in compliance with pro tempore laws in force, also concerning gender balance.

13. If a number of lists are presented, and in the case of the death, resignation or end of the term of office of a regular auditor, the alternate auditor from the same list elected in first place will take over, provided this replacement ensures a gender balance. Otherwise, the auditor elected in second place will be appointed.

The following procedure is adopted by the Shareholders' Meeting to appoint auditors to make up the numbers of the Board of Statutory Auditors: if auditors elected from the majority list are to be replaced, the appointment takes place with a relative majority vote, without any list restrictions in compliance with pro tempore laws in force, also concerning gender balance; when, instead, auditors from the minority list have to be appointed, appointment is by relative majority vote, selecting candidates from the list in which the auditor to replace was included, or, subordinate to this, candidates of any other minority lists, in compliance with pro tempore laws in force, also concerning gender balance.

If there are no candidates from minority lists, the appointment takes place voting for one or more lists, comprising a number of candidates no greater than the number to be elected, presented before the date of the Shareholders' Meeting, and in compliance with provisions in this article for appointing the Board of Statutory Auditors, without prejudice to the fact that lists by reference shareholders or shareholders related to them, as defined by laws and regulations in force, may not be presented (and if presented will be void). Candidates in the list with the highest number of votes will be elected.

14. The Shareholders' determines the fees of auditors, in addition to expenses incurred for carrying out their duties.

15. The powers and the duties of the Statutory Auditors are established by law.

16. The Board of Statutory Auditors may also be held by teleconference or videoconference, on the condition that all participants may be identified and are able to follow the discussion and speak

concerning the items on the agenda in real time. The Shareholders' meetings are considered to have taken place where the Chairman and the secretary are located.

ATTACHMENT F

TABLE 3: STRUCTURE OF THE BOARD OF STATUTORY AUDITORS

Board of Statutory Auditors									
Office	Members	Year of birth	Date of first appointment *	In office since	In office until	List **	Independence per Civil Code	Participation in Board meetings ***	Number of other appointments ****
Chairman	Mauro Leonardo	16/04/1969	20/04/2011	28 June 2017	31 December 2019	m	X	22/22	10
Regular auditor	Francesca Meneghel	02/12/1961	29/04/2014	28 June 2017	31 December 2019	M	X	17/22	7
Regular auditor	Ezio Maria Simonelli	12/02/1958	29/04/2014	28 June 2017	31 December 2019	M	X	18/22	17
Alternate auditor	Sarubbi Stefano	06/12/1965	28/06/2017	28 June 2017	31 December 2019	m	X		
Alternate auditor	Minutillo Flavia Daunia	24/05/1971	20/04/2011	28 June 2017	31 December 2019	M	X		
Alternate auditor	Riccardo Perotta	21/04/1949	19/01/1996	28 June 2017	31 December 2019	M	X		
Number of meetings held during the reporting year: 22									
Indicate the quorum required for the presentation of lists by minorities for the appointment of one or more members (pursuant to Article 148-ter of the TUF): 1% (*)									

NOTE

* The date of the first appointment of each statutory auditor means the date when the statutory auditor was appointed for the first time (in absolute terms) to the Board of Statutory Auditors of the issuer.

** This column shows the list from where each auditor was taken ("M": majority list; "m": minority list).

(*) This column shows the participation of statutory auditors in meetings of the Board of Statutory Auditors (indicate the number of meetings attended compared to the total number of those which they could have attended).

***This column shows the number of offices as director or statutory auditor held by the person concerned pursuant to article 148 bis of the TUF.

(*) Shareholding applicable to the Company for presentation of lists by minorities as per Consob Resolution no. 19856/2017

ATTACHMENT G**PERSONAL AND PROFESSIONAL PROFILES OF THE BOARD OF STATUTORY AUDITORS**

MAURO LONARDO - Mauro Lonardo was born in Rome on 16 April 1969. He holds a degree in Economics and Business from Sapienza University, Rome. He has been a certified public accountant and registered auditor since 1999. He is a professional chartered accountant and partner of Studio RSM - Palea Lauri Gerla, where he mainly carries provides corporate and tax advisory services. He is a member of various associations involved in corporate governance. He carries out preliminary activities for judicial authorities in revenue proceedings. He is on several boards of statutory auditors and supervisory bodies pursuant to Legislative Decree 231/2001, among which Poste Italiane S.p.A., Ama S.p.A., Neep AS Roma Holding S.p.A., Stadio TDV S.p.A., Roma Multiservizi S.p.A., Intec Telecom Systems S.p.A., Unicompany S.p.A.. He has been Chairman of the Board of Statutory Auditors of Mediaset S.p.A S.p.A. since April 2011.

EZIO MARIA SIMONELLI - Ezio Maria Simonelli was born in Macerata on 12 February 1958. He holds a degree in Economics and Business from Perugia University. He has been a certified public accountant since 1982, he is an auditor and freelance journalist. By appointment of the Ministry of Foreign Affairs on 6 March 2013 he took up the position of Honorary Consul of Canada in Milan. He is Managing Partner of Simonelli Associati, a Legal/Tax Advisory Practice. He is Chairman of the Board of Statutory Auditors of Alba Leasing S.p.A., and SISAL S.p.A. and regular auditor of the joint stock company Mediaset S.p.A. and Marr S.p.A. He is a liquidator of the Lega Nazionale Professionisti [National League].

FRANCESCA MENEGHEL - Born in Treviso on 2 December 1961. She holds a degree in Business Economics from Bocconi University Milan. She has been a certified public accountant since 1993 and is a registered auditor. She practices the profession of chartered accountant and has acquired experience in the industrial, commercial, banking, financial, and advertising sectors. She is an Independent Director, Chairman of the Control, Risk and Sustainability Committee and Leader Independent Director of Geox S.p.A. (listed). She is Chairman of the Board of Statutory Auditors of Avon Cosmetics S.r.l.. She is regular auditor of Mediaset S.p.A.(listed), Mediolanum Comunicazione S.p.A., Mediolanum Fiduciaria S.p.A., Mediolanum Gestione Fondi SGR S.p.A., Direct Channel S.p.A., Immobiliare Idra S.p.A.. She is a member of the Supervisory Board of Mediolanum Gestione Fondi SGR S.p.A. and Mediolanum Fiduciaria S.p.A.

STEFANO SARUBBI - Born in Milan on 6 December 1965. He holds a degree in Economics and Business from Cattolica University, Milan. He has been a Certified Public Accountant since 1991 and registered in the Register of Auditors of the State General Accounting Department since 1995 and in the National Register of Journalists since 1997. From 2005 to 2007 he was a member of the Regional Tax Committee of Lombardy. He is Chairman of the Board of Statutory Auditors of INWIT S.p.A., Coca-Cola Italia S.r.l. and Comfactor S.p.A.. He is also a regular auditor for a number of companies including SMA S.p.A., Mattel Italy S.r.l. and Shiseido Group Italy S.p.A. Since 1993, he has been founding member and Chief Executive Officer of Sigmagest S.p.A. Since June 2017, he has been an alternate auditor of Mediaset S.p.A.

FLAVIA DAUNIA MINUTILLO - Flavia Daunia Minutillo was born in Milan on 24 May 1971. She holds a degree in Economics and Business from Cattolica University, Milan. She has been a Certified Public Accountant since 1996 and a registered auditor since 1999. Since 1998 she has been in the Boards of Statutory Auditors, Supervisory Boards, and Oversight Bodies of leading companies, including banks and

securitisation, factoring, trust, financial, brokerage, and asset management companies. She is alternate auditor of Mediaset S.p.A.

RICCARDO PEROTTA - Born on 21 April 1949. He was awarded a degree in Economics and Business from Bocconi University, Milan. He is a certified public accountant and auditor. He is Associate Professor of Methodologies and Quantitative Determinations for Businesses (Accounting and Financial Statements) at Bocconi University, where he is responsible for teaching courses on Financial Statements and extraordinary operations. He has been a certified public accountant in Milan since 1975, where he mainly provides management, business and tax advisory services for companies, with a particular focus on extraordinary financial operations. He is a regular auditor of Boing S.p.A. and Saipem S.p.A., Chairman of the Board of Statutory Auditors of Cassa Lombarda S.p.A. and MolMed S.p.A., Director of Mittel S.p.A. and alternate auditor of Mediaset S.p.A.

ATTACHMENT H

Diversity Policy of the Board of Statutory Auditors of Mediaset S.p.A.

This Policy is adopted by the Board of Directors of Mediaset S.p.A. (hereinafter the "Board" and the "Company"), in compliance with the laws on sustainability (the "Board of Statutory Auditors' Diversity Policy"). More specifically, the Board of Statutory Auditors' Diversity Policy has been adopted in implementation of the provisions of Article 123-bis, paragraph 2, letter d-bis) of Legislative Decree no. 58 of 24 February 1998 ("TUF").

The Board of Statutory Auditors, the Governance and Appointments Committee and the Control, Risks and Sustainability Committee, the latter having advisory functions in the area of sustainability, were involved in the adoption of the Diversity Policy of the Board of Statutory Auditors and expressed [prior favourable opinion] to the Board regarding the Policy.

Purpose of the policy and elements of diversity

The purpose of the Board of Statutory Auditors' Diversity Policy is to identify the elements of diversity necessary to ensure that the statutory auditors contribute to the decisions of the body with different and qualified points of view and is therefore intended to indicate the experiences and skills of the statutory auditors that are considered functional to achieving an optimal composition of the Board of Statutory Auditors.

The Board recommends that the Board of Statutory Auditors includes a set of different and complementary expertise and experiences. Given that the Board of Statutory Auditors is composed of three regular auditors (and three alternate auditors), one of whom was elected by the minority shareholders, the Board identified the following elements of diversity:

- (i) an adequate level of experience and knowledge regarding the market in which the Company operates, the governance system, accounting and financial analysis as well as the regulatory framework, plus long-term experience working for listed companies;
- (ii) gender diversity so that the Board of Statutory Auditors comprises - including when the legal provisions on gender balance cease to be effective - at least one regular auditor and one alternate auditor of the least represented gender so that the Company can take advantage of the different points of view and experiences offered by gender diversity. To this end, the Board recommends that the lists of candidates presented by the shareholders - excluding those containing less than three candidates - indicate (for both the regular and alternate auditors) at least one candidate of the less represented gender;
- (iii) different length of service to balance the need for control continuity and renewal and to benefit from the different points of view and experiences that characterize the greater or lesser length of service.

Implementation of the Policy

In accordance with the Shareholders' prerogatives in the designation and appointment of the members of the Board of Statutory Auditors, upon renewal of the body, the outgoing Board of Statutory Auditors shall express their view on the composition of the body, in keeping with this policy. This view shall be reflected in the Board of Statutory Auditors' report to the shareholders in order to disclose the diversity criteria and objectives set out in the Diversity Policy of the Board of Statutory Auditors.

Monitoring the implementation of the Policy and its updating

The Board, with the support of the Board of Statutory Auditors, Governance and Appointments Committee and the Control, Risk and Sustainability Committee with advisory functions on sustainability,

is responsible for monitoring the results achieved from implementation of this Policy and the updating thereof.

The results deriving from the implementation of this Policy will be included in the corporate governance and ownership structure report envisaged by Article 123-bis of the Consolidated Law on Finance, starting from the year following the application of the policies described in this document.

For the Board of Directors

The Chairman