



Guidance from the Board of Directors of Ascopiave S.p.A. to Shareholders on the future composition of the Board of Directors.

Foreword

The Board of Directors of Ascopiave S.p.A. ("**Ascopiave**" or the "**Company**") has adhered to the *Corporate Governance Code* ("**CG Code**"), which - pursuant to Article 4, Principle XIII, Recommendation 23, taking also into account the Principles envisaged in Article 2 - recommends that the boards of directors of companies listed on regulated markets, in view of the renewal of the administrative body, express their orientation to the Shareholders on the quantitative and qualitative composition deemed optimal, in light of the results of the self-assessment ("*board review*") performed in compliance with Recommendation 22 of the CG Code.

It should be noted that the proposal to express an orientation with reference to the optimal composition of the Board of Directors, following the provisions of Article 4, Principle XIII and Recommendation 23 of the CG Code, is not mandatory for Ascopiave, as it can be classified as a "non-major concentrated ownership company". Said orientation is expressed by the Board of Directors of Ascopiave in accordance with the industry best practices.

Considering that with the approval of the financial statements for the year 2022, the expiry of its term of office and that the Shareholders' Meeting will be called to appoint the corporate bodies, the outgoing Ascopiave Board of Directors, taking into account the results of the self-assessment ("*board review*") referred to the year 2022, provides Shareholders with its orientation opinion on the managerial and professional figures whose presence in the new Board of Directors would be deemed appropriate.

It should be noted that, pursuant to Recommendation 12(e) of the CG Code, with reference to the task of the Board Chairman to oversee the adequacy and transparency of the self-assessment process ("*board review*"), taking into account that Ascopiave is a "non-major concentrated ownership company" with respect to the CG Code categories, the Board of Directors, with the assistance of the secretary of the Board, implemented the *board review* referring to the 2022 financial year, prior to the expiry of the current three-year term of office of the Board, applying the provisions of Recommendation 22 CG Code, according to the methods defined in the "Regulation of the Board of



Directors, Lead Independent Director and the governance committees" as adopted on 11th November 2021.

Furthermore, the Board of Directors, in line with the aforementioned Recommendation 23 of the CG Code, invites the Shareholders who submit a list containing a number of candidates exceeding half of the members to be elected to *(i)* provide adequate information, in the deliverables submitted for the filing of the list, on its compliance with this guideline, also with reference to the diversity benchmarks envisaged in Principle VII and Recommendation 8 of the CG Code; *(ii)* indicate their candidate for the office of Chairman of the Board of Directors, whose appointment shall be made in accordance with the procedures envisaged in the Articles of Association.

In light of the above, the Board of Directors also invites the Shareholders who submit their own lists of candidates for the afore-stated appointments, to ensure that such lists are documented by all the necessary information required by the Articles of Association to enable the Shareholders to cast their vote in an informed manner.

The Board of Directors of the Company, in accordance with the provisions of Article 4, Principle XIII and Recommendation 23 of the CG Code, deems that an optimal composition of the issuer's administrative body can be ensured through compliance with the following requirements.

Size of the Board of Directors

The Board of Directors of Ascopiave believes that the current number of seven directors is adequate to ensure a fair balance of the skills and experience required by the complexity of the Company's business and to allow for participation in the governance committees.

Diversity

The composition of the Board of Directors should reflect an adequate diversity of gender, age, office seniority, complementarity of professional and managerial/entrepreneurial experience even in non-executive roles preferably in listed companies or, in any case, of a complexity and size comparable to those of Ascopiave S.p.A., in line with the characteristics and relevance of the offices previously held.



The Articles of Association also envision that the composition of the Board of Directors must ensure a balance between the male and female genders in compliance with applicable legal and regulatory framework. Therefore, in particular, pursuant to Article 147-ter, paragraph *1-ter*, TUF, at least two-fifths of the Board of Directors must comprise directors of the lesser represented gender.

Lastly, it should be noted that Recommendation 8 of the CG Code suggests that issuers apply the instrument they consider most suitable for accomplishing the identified diversity objective, also in compliance with the ownership structure.

Composition of the Board of Directors

The Board of Directors suggests ensuring, compatibly with the constraints and regulations of corporate governance, an adequate continuity in the composition of the administrative body in order to enhance the wealth of knowledge Ascopiave has accrued from the directors, which is necessary for the continuity of the current strategic plan that is partly focused on the activities of the so-called “energy transition”.

In particular, the Board of Directors hopes that the renewal of the administrative body will also consider, in order to ensure continuity of action, the confirmation of some of the current members, enhancing their acquired knowledge of the Company, the business as well as the active contribution made to the Board's functioning during their term of office.

The Board of Directors deems it necessary to ensure the correct balance of the *mix* of professional experience within the Board in order to have skills in line with the complexity of the Company's business. In particular, the Board suggests the presence of profiles with experience:

- within the energy and utilities sector;
- organisational and management skills;
- finance in the area of administration, finance and control,
- legal and risk management;
- sustainability and innovation.

The Board also recommends that the members of the administrative body should be strategy-oriented, have a knack for “business judgement” in order to ensure that the members’ ability to take a strategic view, interpret the evolution of market and regulatory scenarios, as well as examine new business opportunities.

The Board advises that the following predisposition and personal skills of the Directors ought to be highlighted:

- independence and integrity;
- result orientation;
- cooperation and a transparent and constructive approach;
- ability to create strategic and business synergies with Environmental Social Governance issues;
- adequate time availability.

Chairman of the Board of Directors and Chief Executive Officer

The Chairman and Chief Executive Officer shall:

- be persons with the experience, authority and professional and/or managerial expertise appropriate to the post;
- have to their credit significant expertise of at least three financial years in a top position of a company or in comparable jobs in and preferably at the helm of the Board of listed companies reflecting the complexity and size at least comparable to Ascopiave;
- have at least three years' experience in companies operating in the natural gas distribution and/or renewable energy and/or energy sector in general;
- possess economic and/or financial and/or legal acumen in the core business of gas distribution and/or renewable energy and/or the energy sector in general, as well as a consolidated history in the management of extraordinary transactions of significant size and issues of strategic importance;
- demonstrate suitable skills and the ability to manage complex partnerships with the other players in the field;
- have an adequate background in corporate governance, having gained previous experience in - and preferably at the helm of - boards of listed companies reflecting the complexity and size comparable to Ascopiave;
- have shown, in the performance of these assignments, an awareness towards aspects of governance, risk monitoring and overall corporate management;
- show a deep understanding of Environmental Social Governance issues;
- have an adequate knowledge of spoken and written English;



- have such personal characteristics as to ensure a strong team spirit and bond among the members of the Board and devote time, presence and commitment to the full performance of the role assigned to him/her;
- ensure, during the term of office, a correct and transparent management of the functioning of the Board and be a represent a guarantee for all shareholders.

Member of the Board of Directors

All administrators, in addition to possessing skills in line with the above, should:

- have the experience and authority and professional and/or managerial wherewithal commensurate to the post;
- have gained primary experience in Boards of listed companies of a complexity and size comparable to Ascopiave S.p.A.;
- have relevant experience in companies operating in gas distribution and/or, renewable energy and/or the energy field in general;
- possess skills in economics and/or finance and/or law;
- have an adequate knowledge of spoken and written English;
- be sensitive to Environmental Social Governance issues.

Pieve di Soligo, 23rd February 2023