

AZIMUT HOLDING S.p.A.

REPORT ON CORPORATE GOVERNANCE AND OWNERSHIP STRUCTURE

pursuant to art. 123-bis of the Italian Consolidated Law on Finance

Financial year to which the Report refers: 2022

Date of approval of the Report: 09 March 2023

Website: www.azimut-group.com

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1. ISSUER PROFILE

Azimut Holding S.p.A. (hereinafter the "**Company**" or the "**Issuer**"), with registered office in Milan, since July 2004 has been listed on the Euronext Milan market organised and managed by Borsa Italiana S.p.A. and has been included in the FTSE MIB index.

The Azimut Group (hereinafter the "**Group**" or "Azimut Group"), of which the Company is the parent company, was founded and has grown on the basis of a number of distinctive features that have contributed decisively to its success, distinguishing itself in particular for its innovative approach and the shared values that inspire it: independence, partnership, simplicity, stability, speed and growth.

The *business* model adopted is innovative, capable of bringing together the interests of managers, *Financial Partner*, employees and *management*, all of whom are committed to the company as shareholders.

In order to promote the stability of the Company's ownership structure and Investors' loyalty, and also to contribute steering the Issuer's business, a Shareholders' Agreement has been established that includes the management, employees, collaborators and financial advisors working for Group companies, ensuring diversity, inclusion, transparency and effectiveness in the management of participation (as better specified in paragraph 2.7 below).

The remaining capital is divided between individual shareholders and institutional investors, mainly foreign (mutual funds, pension funds and insurance companies).

The Company is the parent company of the main independent Italian company operating in the asset management sector, which includes several companies operating in the promotion, management and distribution of financial and insurance products and services, with registered offices in Italy, Luxembourg, Ireland, England, Portugal, China (Hong Kong and Shanghai), United Arab Emirates, Monaco, Switzerland, Singapore, Brazil, Taiwan, Turkey, United States, Mexico, Chile, Egypt and Australia.

The Company, being a holding company, is not directly involved in operations, but carries out the Group legal, administrative, finance and control functions, having responsibility for the consolidated financial statements and the communication and management function of the "Azimut" brand, which is carried out centrally for all Group companies.

The Board of Directors of Azimut Holding S.p.A. approves the Group's Consolidated Non-Financial Statement on a compulsory basis, which can be found on the website (www.azimut-group.com), and supervises sustainability aspects with the support of the Sustainability Committee, known as the

"Sustainability Committee: ESG, SRI, CSR".

The Group has drafted a Sustainability Policy, updated in April 2021, functional to the identification, evaluation and management of ESG factors for the achievement of corporate objectives. The ESG principles contained therein are closely linked to the typical criteria of independence, integration, participation, internationalisation and innovation, which have always made a decisive contribution to the Group's success.

The new version of the Sustainability Policy identifies principles, objectives and how they are to be managed in five areas that the Group considers to be priorities: the protection of workers and human rights, responsible *marketing*, relations with local communities, responsible investment and environmental care. The Sustainability Policy, as published on the website (www.azimut-group.com), applies to all Group companies.

In line with its strategy, Azimut adheres to the *Principles for Responsible Investment*, promoted by the United Nations to encourage the spread of sustainable and responsible investments. In order to monitor and mitigate its environmental impact and analyse the risks and opportunities associated with it, since 2019, the Company has also been a signatory to the CDP (formerly the Carbon Disclosure Project), a non-profit organisation that provides a system for measuring, reporting, managing and sharing information regarding climate change globally. This choice is aimed at gaining increasing awareness of how the Company directly and indirectly generates impacts on the environment and to better understand the repercussions of climate change on the current and future business model.

Finally, through Azimut Capital Management SGR S.p.A., the Group participates in the Forum for Sustainable Finance, a non-profit association that brings together financial operators and other organisations interested in the environmental and social impact of investments.

The Azimut Group is significantly interested and committed to sustainable investment, in order to integrate environmental, social and governance criteria into its financial products and processes.

The Issuer falls within the definition of "Large Company" adopted by the Corporate Governance Code.

1.1. Corporate governance system

The Company has adopted the traditional administration and control model as per articles 2380 to 2409-*septies* of the Italian Civil Code, characterised by the presence of a management body, the Board of Directors, and a control body, the Board of Statutory Auditors.

Under the chosen model, Azimut Holding S.p.A. carries out the functions of guidance, coordination and control of Group companies in compliance with current regulations and the autonomy of the companies subject to supervision.

With reference to the Board of Directors and the delegated bodies, see point 4 below.

2. INFORMATION ON THE OWNERSHIP STRUCTURE

2.1. Share capital structure

The Company has a share capital of Euro 32,324,091.54, fully subscribed and paid in, divided into 143,254,497 common shares, with no indication of their nominal value.

The shares have been listed on the Euronext Milan market managed by Borsa Italiana, the “*FTSE-Mib*” index, since 2004 and have been part of the Stoxx Europe 600 Index since September 2013.

SHARE CAPITAL STRUCTURE					
	No. of shares	No. of voting rights	% of share capital	Listed (indicate market) / unlisted	Rights and obligations
Ordinary shares and without indication of nominal value pursuant to article 2346 of the Italian Civil Code.	143,254,497	143,254,497	100	EXM	Each share entitles to one vote. The rights and obligations of shareholders are those provided for in articles 2346 <i>et seq.</i> of the Italian Civil Code
Preference shares	0	0	0	N/A	N/A
Multiple voting shares	0	0	0	N/A	N/A
Other categories of shares carrying voting rights	0	0	0	N/A	N/A
Savings shares	0	0	0	N/A	N/A
Convertible savings shares	0	0	0	N/A	N/A
Other categories of shares not carrying voting rights	0	0	0	N/A	N/A
Other	/	/	/	/	/

To date, no other financial instruments have been issued giving the right to subscribe newly issued shares.

2.2. Restriction on the transfer of securities

The shares are registered, indivisible and freely transferable, without prejudice to the provisions of point 2.7 below with reference to the block and voting restrictions applicable to the shares owned by the parties to Azimut Holding S.p.A. Shareholders' Agreement.

2.3. Material equity investments

At the reference date of this report (09 March 2023), no shareholders directly or indirectly hold more than 3% of the share capital, according to the communications made pursuant to art. 120 Italian TUF.

However, it should be noted that Azimut Holding S.p.A. Shareholders' agreement at the same date includes shares representing 21.20% of the share capital (see paragraph 2.7).

2.4. Securities granting special rights of control.

No securities have been issued that grant special rights of control.

2.5. Employees' equity investment: mechanism for exercising voting rights

There is no mechanism for exercising employees' voting rights. It should be noted, however, that employees of the Company are also parties to the Shareholders' Agreement referred to in point 2.7 below.

2.6. Restrictions on voting rights

There are no restrictions on voting rights.

2.7. Shareholders' agreements

On 7 July 2004, in order to promote the stability of the Issuer's ownership structure and to contribute to its business, a "*Voting and Blocking Shareholders' Agreement*" was established by the management, employees, collaborators and financial advisors working for the Group companies (the "**Agreement**").

All Company shares held by a party to the Agreement shall be subject to voting constraints and a part of said shares is also subject to block constraints.

The Azimut Holding S.p.A. Shareholders' Agreement has a three-year term with the possibility of tacit

renewal for a further three years, unless the right of withdrawal is exercised by as many Investors representing more than 51% of the Block Shares. Most recently, the Agreement was automatically renewed effective 7 July 2022 for the three-year period 7 July 2022 - 7 July 2025.

The provisions of the Agreement were last amended on 7 July 2022 due to the renewal of the term of the Agreement until 7 July 2025.

The excerpt of the *"Voting and Blocking Shareholders' Agreement"* is available on the CONSOB website (www.consob.it) and that of Azimut Holding S.p.A. (www.azimut-group.com – *Group/Shareholders section*).

2.8. Change of control clauses and provisions on takeover bids within the Articles of Association (under art. 104, paragraph 1-ter, and art. 104-bis, paragraph 1)

The Issuer or its subsidiaries have not entered into significant agreements that become effective, are modified or terminate in the event of a change of control of the company.

The Articles of Association do not contain any exceptions to the provisions on the passivity rule provided for by Article 104, paragraphs 1 and 1-*bis* of the TUF (Consolidated Law on Finance) or the application of the neutralisation rules provided for by Article 104-*bis*, paragraphs 2 and 3 of the TUF in the case of public purchase or exchange offers.

2.9. Powers to increase the share capital and authorisations to purchase treasury shares

During the year, the Board of Directors did not receive any mandate for share capital increases pursuant to art. 2443 of the Italian Civil Code.

The only delegation of power granted by the Shareholders' Meeting to the Board of Directors for the issue of profit-participating financial instruments without administrative rights dates back to 2010. In particular, the Shareholders' Meeting of 29 April 2010 resolved to issue, pursuant to Article 2346, paragraph 6, of the Italian Civil Code, in one or more *tranches* and no later than 31 December 2012, a maximum number of 1,500,000 profit-participating financial instruments, governed by Articles 9-*bis*, 32 and 35 of the Articles of Association, reserved for financial advisors, employees and *managers* of Azimut Group companies identified by the Board of Directors as recipients of the issue. The Shareholders' Meeting delegated the Board of Directors the task of determining all the aspects governing the instruments and their issue that are not already specified in the said resolution and in the Articles of Association, including, by way of example, the identification of (i) the recipients of the issue of the instruments, (ii) the number of instruments offered to each recipient, (iii) the timing of the issue of the instruments, (iv) the amount of the cash contribution required for the assignment of the instruments. The Issuer, by resolution of the Board of Directors dated 20 June 2017, also adopted a regulation on these instruments - submitted for examination to the holders of the instruments for subscription -

which implements the provisions already provided for in the Articles of Association and in the contracts entered into by the holders of the instruments, subsequently amended by a resolution of the Board of Directors on 12 December 2019.

The Shareholders' Meeting of 28 April 2022 resolved the following, after revoking the authorisation approved by the Ordinary Shareholders' Meeting of 29 April 2021:

- to authorise, pursuant to and for the purposes of art. 2357 of the Italian Civil Code, the purchase, on one or more occasions and in compliance with applicable regulations, for a period of 18 months from this resolution, of up to a maximum of 14,000,000 ordinary shares of Azimut Holding S.p.A., equal to 9.77% of the current share capital, to be used for purposes such as: (i) transactions for subsequent resale on the market; (ii) creation of the provision necessary to implement any shareholding plans, it being understood that up to a maximum amount of 7,000,000 ordinary shares of Azimut Holding S.p.A., equal to 4.89% of the current share capital, may be allocated for this specific purpose, within the aforementioned maximum total amount (iii) consideration as part of any transactions involving the acquisition or exchange of equity investments; (iv) use for financial instruments convertible into Company shares; (v) free allocation to shareholders as dividends; (vi) support of liquidity and establishment of the so-called stock of securities as well as for any other useful purpose, for the pursuit of the corporate purpose, as permitted by current regulations;
- to establish that, for the purposes of determining the maximum number of ordinary shares of Azimut Holding S.p.A. that may be purchased pursuant to these authorisations, the number of treasury shares already held by the Company and any shares possibly held by subsidiaries will be taken into account, in accordance with the provisions of art. 2357, third paragraph, of the Italian Civil Code;
- to establish that the purchase price of the shares is identified from time to time, having regard to the method chosen to carry out the transaction, and in compliance with the laws and regulations in force from time to time, in any case within a minimum unit price not less than the implicit carrying amount of the Azimut Holding S.p.A. share and a maximum unit price not exceeding Euro 35.

At 31 December 2022 the Company held 4,868,987 treasury shares in portfolio.

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

The Company is not subject to the management and coordination of another company.

2.11. Information required by Art. 123-bis, first paragraph, letters i) and l) of Consolidated Law on Finance

For the information referred to in article 123-bis, first paragraph, letter i) of the Italian TUF regarding

any agreements between the Company and the Directors that provide for indemnities in the event of early termination of the employment relationship, please refer to point 7.1 below.

The rules for the appointment and replacement of Directors, as provided for by art. 123-*bis*, paragraph 1, letter l) of the Italian TUF, are described in point 4.

3. COMPLIANCE

The Company's corporate governance system refers for the year 2022 to the principles and recommendations provided by the Corporate Governance Code (the "**Code**") in the version approved by the Corporate Governance Committee in January 2020 and accessible on the Borsa Italiana website at <https://www.borsaitaliana.it/comitato-corporate-governance/codice/2020.pdf>.

Neither the Issuer nor its strategically important subsidiaries are subject to non-Italian law provisions affecting the Issuer's *corporate governance* structure.

4. BOARD OF DIRECTORS

4.1 Role of the Board of Directors

Article 25 of the Articles of Association determines the powers of the Board of Directors, which are in accordance with those provided for in the Code. In particular, under the above-mentioned article, the management of the Company is the sole responsibility of the Board of Directors, that performs the tasks necessary to achieve the Company's purpose, subject to the need of specific authorisation to the extent required by law.

Pursuant to the mentioned article 25 of the Articles of association, the Board of Directors is also responsible for the resolutions concerning the following:

- (i) the merger decision in the cases under articles 2505 and 2505-*bis* of the Italian Civil Code;
- (ii) the establishment and closure of secondary offices;
- (iii) the indication of which directors shall represent the Company;
- (iv) the reduction of the share capital in the event of withdrawal of a shareholder;
- (v) the amendment of the Articles of Association to comply with legislation;
- (vi) the transfer of the registered office within the national territory;
- (vii) the reduction of the capital if losses are greater than one-third of the share capital and the Company has issued shares without par value.

In addition to what is provided for by law or sector regulations or required by the bodies in charge of supervising corporate activities, the Board of Directors resolves on the strategic policies of the Company and the Group and continuously assesses their implementation.

In compliance with the provisions of the Articles of Association and the Corporate Governance Code,

the Board of Directors is assigned, *inter alia*, the following functions:

- examine and approve the strategic, industrial and financial plans both at individual and Group level
 - also based on the analysis of the issues that are relevant for the generation of long-term value carried out with the support of the Sustainability Committee, whose composition and functions are determined by the Board of Directors - which periodically monitors their implementation;
- define the Issuer's corporate governance system and the Group's corporate structure;
- define the nature and level of risk compatible with the Issuer's strategic objectives, whose assessment includes all elements that may be relevant for the pursuit of the Company's sustainable success;
- establish the frequency, at least quarterly, with which the delegated Bodies must report to the Board of Directors on the activities carried out in the exercise of the powers granted to them;;
- assess the general performance taking into account, in particular, the information received from the delegated Bodies, as well as periodically comparing the results achieved with those planned;
- examine and approve transactions having a significant impact on the Company's strategy, profitability or financial position, with particular reference to transactions with related parties; for this purpose, it establishes general criteria for identifying material transactions;
- assess the adequacy of the organisational, administrative and accounting structure of the Issuer and that of the Subsidiaries with strategic importance, with particular reference to the internal audit and risk management system, also based on the information provided by the Control and Risk Committee, also through the subholding companies AZ International Holdings S.A. and Azimut UK Holdings Limited, as well as on the assessments of the control functions of the Group's supervised companies;
- resolve on any interventions necessary to eliminate critical issues that have emerged in the management of the Company or of the Group as a result of the checks carried out by the functions responsible for controls and risk management, based on the information provided by the Control and Risk Committee, also through the subholding companies AZ International Holdings S.A. and Azimut UK Holdings Limited, as well as on the assessments of the control functions of the Group's supervised companies;
- carry out the management and coordination activities of the Group with particular reference to risk management, approving *policies* and general guidelines for all the Group companies;
- provide information in the Corporate Governance Report on its composition, indicating for each member the position, the role held within the Board of Directors, the number and average duration of the meetings of the Board and the Executive Committee, if any, held during the year, as well as the relative percentage of attendance of each director;
- in order to ensure the correct management of corporate information, adopt, upon proposal of the Chairperson and/or Chief Executive Officers, a procedure for the internal management and external communication of documents and information concerning the Issuer with particular reference to inside information.

As mentioned above, the Board of Directors is in any case responsible for passing resolutions concerning the transactions of the Issuer and its subsidiaries that have a significant strategic,

economic, equity or financial importance for the Issuer.

Under articles 21 and 26 of the Articles of Association, the Board of Directors may delegate part of its powers, except those expressly reserved by law to itself, to an Executive Committee and determine its composition, powers and remuneration. This option is not, at present, exercised.

It may also establish committees having advisory and/or proposal-making tasks, such as the Control and Risk Committee (or the Related Party Committee), the Remuneration Committee and the Sustainability Committee, determining the number of members of such committees and the functions assigned to them, under the regulations in force concerning companies with listed shares in regulated markets.

Furthermore, under the same articles, the Board of Directors may appoint one or more Vice Chair persons and one or more CEOs, determining the limits of the delegation, as well as one or more General Managers designating them also among the members of the Board of Directors.

Art. 26 of the Articles of Association assigns representation in dealings with third parties and in legal proceedings, as well as signing authority to the Chairman of the Board of Directors, Vice Chairmen and Managing Directors if appointed.

In relation to the main activities carried out by the Board of Directors with reference to the above-mentioned areas and the related procedures, it should be noted that during the 2022 financial year:

- on 14 January 2022, the Board of Directors appointed a Co-Investor Relator;
- on 10 March 2022, the Board of Directors resolved to confirm the 2020-2024 strategic financial guidelines;
- on 10 March 2022, the Board of Directors also approved the report on corporate governance indicating, among others, the position and role held within the Board of Directors by each member, the number and average duration of Board meetings held during the financial year, and the relative percentage of participation of each director;
- the Chief Executive Officers reported quarterly to the Board of Directors on the activities undertaken in the exercise of their powers and on the general performance of operations, at the time of approval of the interim management reports, the half-yearly report and the financial statements;
- the Board of Directors approved the materiality matrix and the scope of the Non-Financial Statement (DNF);
- the Control and Risk Committee has periodically reported to the Board of Directors on (i) the activities carried out by the Committee itself in accordance with the provisions of the operating regulations in the second half of 2021 and the first half of 2022; (ii) the control activities performed and reports produced by the vRisk Management, Compliance, Anti-Money Laundering and Internal Audit functions of the subsidiary Azimut Capital Management SGR S.p.A. with reference to the Company and its Italian subsidiaries, as well as the control functions of the foreign companies

through the subsidiaries AZ International Holdings SA and Azimut UK Holdings Limited;

- At its meeting of 12 May 2022, the Board of Directors established the criteria for assessing the significance of any commercial, financial and professional relationships that may exist between the Independent Director or Auditor and the Company, as part of the assessment of the independence requirement, in accordance with the provisions of Recommendation 7 of the Code;
- the Supervisory Body set up in accordance with Italian Legislative Decree 231/2001 submitted the business plan for the year 2022 to the Board of Directors for approval and reported on the activities in the second half of 2021 and the first half of 2022;
- the disposal of a stake in the US wealth management company Sanctuary Wealth, which was acquired in February 2021 through the subsidiary AZ US Holdings Inc., was submitted to the Board of Directors for consideration on 27 May 2022;
- the Board of Directors, in light of the increase in the Group's business and its complexity, submitted to the Shareholders' Meeting held on 28 April 2022, *inter alia*, certain amendments to the Articles of Association aimed at extending the duration of the Company and expanding the maximum number of directors that make up the Board of Directors, in order to bring the Company's governance increasingly in line with market best practices and ensure the diversification and broadening of competences, also with reference to non-executive directors (point 4.3);
- the Board of Directors also submitted to the Shareholders' Meeting held on 28 April 2022 the proposal for the appointment of the independent auditors for the financial years 2022-2030, following the expiry of the mandate of the outgoing auditor, taking care of the preparatory activities aimed at identifying a single Group independent auditor;
- on 28 July 2022, the Board of Directors resolved to proceed with the share buyback programme, based on the authorisation of the Ordinary Shareholders' Meeting of the Company of 28 April 2022;
- on 15 December 2022, the Board approved the signing of a partnership agreement with UniCredit S.p.A. for the distribution of asset management products developed by a new Irish Group company, in Italy through UniCredit's network.

It should be specified that the governance system adopted by the Company is functional to the Issuer's needs.

This Report contains information on the appointment (point 4.2), composition (point 4.3), functioning (point 4.4) of the Board of Directors, as well as the remuneration policy (point 7) and the internal audit and risk management system (point 8).

4.2 Appointment and replacement

Article 18 of the Articles of Association provides for the list vote mechanism, which ensures a transparent appointment procedure and a balanced composition of the Board of Directors.

The above-mentioned article was amended by means of a Board resolution dated 10 March 2011 in

order to bring the Articles of Association into line with the provisions introduced by Italian Legislative Decree no. 27 of 27 January 2010 transposing Directive 2007/36/EC into Italian law, regarding the exercise of certain rights of shareholders in listed companies, known as the "Shareholder's Rights" Directive; in addition, by resolution of the Shareholders' Meeting of 26 April 2012, criteria for the composition of lists were introduced into the Articles of Association which provide for the respect of the gender balance in accordance with art. 147-*ter*, paragraph 1-*ter* of the TUF. Lastly, Article 18 was further amended by the Shareholders' Meeting of 28 April 2022 in order to expand the maximum number of Directors that make up the Board of Directors to 18 members (compared to 15 in the previous wording).

The directors are appointed by the Shareholders' Meeting based on lists presented by those shareholders who, alone or together with others, hold shares carrying voting rights representing at least one fortieth of the share capital or, if lower, the other percentage specified in article 144-*quater* of the CONSOB Issuers' regulation and published by CONSOB under article 144-*septies* of the same regulation.

The ownership of the minimum shareholding for the submission of lists is determined with regard to the shares registered on behalf of the shareholder the day on which the lists are filed with the Company. The respective certification may be produced after the submission, provided that it is within the deadline for the publication of the lists by the Company.

The Company did not deem it appropriate to include in its Articles of Association the possibility of submitting a list by the outgoing Board of Directors, given the absence of an express regulatory provision in this regard, also considering the risks of self-reference and self-perpetuation of the administrative body and also taking into account what is highlighted in CONSOB's warning on this matter 1/2022 of 22 January 2022.

Each shareholder or shareholders belonging to the same group and that agree to a shareholders' agreement relating to the Issuer's shares, may not submit, neither through a third party nor trust company, more than one list, nor may they vote for different lists.

Each nominee may appear on only one list on penalty of ineligibility.

The lists include the names of candidates according to a progressive number and indicate the directors who meet the independence requirements established by law.

Each list must contain and expressly indicate the application of at least one subject meeting the independence requirements established for statutory auditors by art. 148, paragraph 3, of Legislative Decree no. 58/98 and at least two subjects in case the Meeting determines the number of Board Members to be more than seven.

Each list must indicate nominees of both genders except for lists that have a number of nominees lower than three.

Within the deadline prescribed by law and regulations in force the lists must be filed at the registered office of the Company that must make them available to the public at the registered office, on their website and in any other manner required by law and regulations in force.

The lists are accompanied by:

- information relating to the identity of the shareholders who submitted the lists and the total percentage stake held, as well as a declaration by shareholders other than those who hold, even jointly, a controlling or relative majority shareholding, certifying the absence of any connection with the latter, as provided for in article 144-*quinquies* of CONSOB Regulation no. 11971/99;
- exhaustive information regarding the personal and professional characteristics of each candidate for the office, with an indication of their suitability to qualify as independent;
- declarations by which the individual candidates accept their candidature and certify, under their own responsibility, that there are no grounds for ineligibility and incompatibility, and that they meet the requirements for the respective offices under prevailing regulations and the Articles of Association.

Lists that do not comply with the above requirements shall be considered as not submitted.

For the purposes of selecting the directors, no account is taken of the lists that have not obtained a number of votes equal to at least half of that required for their presentation.

The election of directors shall be as follows:

- as many board members who represent the total of those to be elected minus one shall be elected from the list that has obtained in the Meeting the highest number of votes, based on the order in which they appear in the list;
- the final board member is selected from the second list that has obtained the highest number of votes, in the person of the nominee at the top of the list.

The members of the Board of Directors are appointed in such a way as to guarantee independence and gender balance in accordance with the regulations in force.

If the election of nominees in the manner described above does not ensure the appointment of a director (or two in case the Meeting determines a number of directors above seven) satisfying the independence requirements established for statutory auditors from article 148, paragraph 3 of Legislative Decree 58/1998, we will proceed as follows:

- a) in the event of a Board of Directors consisting of up to seven members, instead of the nominee in first place in the second list that obtained the highest number of votes, the first unelected nominee on the same list satisfying the independence requirements established for auditors in accordance with Art. 148, paragraph 3 of Legislative Decree 58/1998 will be elected;
- b) in the event of a Board of Directors consisting of more than seven members: (i) the nominee who is elected last and selected from the first list that obtained the highest number of votes shall be

- replaced by the first non-elected nominee on the same list satisfying the independence requirements established for statutory auditors by art. 148, paragraph 3 of Legislative Decree 58/1998; (ii) the second director will be elected on the basis of the provisions of letter a) above;
- c) in the event of a Board of Directors consisting of more than seven members and one nominated director meeting the mentioned requirements, elected from the second list that obtained the highest number of votes, we will proceed to the appointment of the second as described in letter b) (i) above.

If with the nominees elected in the manner described above the gender balance is not reached as provided for in article 147-*ter*, paragraph 1-*ter* Italian TUF we will proceed as follows:

- a) in the event of a Board of Directors consisting of up to seven members, instead of the nominee in first place in the second list that obtained the highest number of votes, the first unelected nominee on the same list will be elected, which gender allows the achievement of balance between genders;
- b) in the event of a Board of Directors consisting of more than seven members, instead of the nominee in first place in the second list that obtained the highest number of votes, the first unelected nominee in the same list will be elected, the gender of which allows the achievement of balance between genders. In the event that this is not sufficient for the balance between genders required by art. 147-*ter*, paragraph 1-*ter* of the Italian TUF, the nominee who shall be the last elected and extracted from the first list that obtained the highest number of votes shall be replaced by the first unelected nominee on the same list which gender allows balance between genders.

In the event that only one list is presented, the Meeting shall vote on it with the majorities prescribed by law and nominees are elected as listed in numerical order, up to the number fixed by the Meeting.

If after voting on a new Board of Directors with either up to seven or more than seven members, there are not elected, respectively, one or two directors who meet the conditions required by article 148, paragraph 3 of Italian Legislative Decree No. 58/1998 for the independent directors of listed companies, the nominee or two nominees who would be last elected in the numerical order of the list and chosen from the presented list are replaced, respectively, by the first or the first two nominees in lower progressive order satisfying the above requirements and indicated in the same list.

If, after voting, gender balance is not reached as provided for in article 147-*ter*, paragraph 1-*ter* of the Italian TUF the nominee who shall be the last elected will be replaced by the first non-elected nominee whose gender allows to achieve a balance between genders. In case this is not sufficient for the balance between genders required by art. 147-*ter*, paragraph 1-*ter* of the Italian TUF the nominee who shall be the penultimate elected will be replaced by the second non-elected nominee whose gender allows to achieve a balance between genders.

In the absence of lists or in case through the voting mechanism the number of elected nominees is less than the number established by the Meeting, the Board of Directors shall be respectively appointed or supplemented by the Meeting with statutory majority.

If the first two lists obtain an equal number of votes, there will be a new vote by the Meeting, voting only the first two lists.

In the event of termination of office, for whatever reason, of a director from the second list that obtained the highest number of votes:

- the Board of Directors shall co-opt his/her replacement within the meaning and for the effects of art. 2386 of the Italian Civil Code, appointing as director the first of the unelected nominees on the list to which the retiring director belonged, provided he/she is still eligible and willing to accept the office and without prejudice to the obligation to comply with the minimum number of independent directors and the balance between genders provided for by art. 147-ter, paragraph 1-ter Italian TUF;
- the Meeting shall replace the outgoing director by majority vote, choosing a replacement from among the nominees on the same list who previously accepted to take his/her place.

In the event of resignation, for any reason whatsoever, of a director drawn from the first list that obtained the highest number of votes or from the only list presented, those remaining in office shall replace him or her by co-option pursuant to Article 2386 of the Civil Code and without prejudice to the obligation to comply with the minimum number of independent directors and gender balance provided for in Article 147-ter, paragraph 1-ter, TUF.

The meeting's nomination of the director to replace the outgoing director is freely made by statutory majority, without prejudice to the obligation to comply with the minimum number of independent directors under Legislative Decree 58/1998 and the balance between genders under article 147-ter, paragraph 1-ter, TUF.

Succession plans

At present, the Company has not deemed necessary to adopt a succession plan for executive Directors, since the powers granted within the Board of Directors, also taking into account the role and powers attributed to the Directors with delegated powers, are suitable to allow the continuity, at least temporarily, of the company's management in the event of the disappearance of one of these figures.

4.3 Composition

Article 18 of the Articles of Association, in their current wording, provides that the Company shall be managed by a Board of Directors consisting of not less than five and not more than eighteen members, not necessarily shareholders, including the Chair.

The increase of the maximum number of Directors that make up the Board of Directors up to 18 members took place through an amendment to the Articles of Association resolved by the Shareholders' Meeting of 28 April 2022 upon the proposal of the Board itself in light of the increase in the Group's

business and its complexity, with the aim of enhancing the composition of the body also with a view to diversification and expansion of competences and to make the governance of the Company increasingly aligned with market best practices, which are also contained in the Corporate Governance Code of Borsa Italiana S.p.A., also with reference to the number of independent directors.

The members of the Board of Directors of the Company must meet the requirements of articles 14 and 147-*quinquies* of the Legislative Decree no. 58/98. The Board of Directors shall carry out this assessment.

The Board of Directors was appointed by the Shareholders' Meeting of 28 April 2022, based on the only list of candidates submitted by Timone Fiduciaria S.r.l., which was voted in favour by 98.72% of the shares admitted to the vote.

The said Meeting also set the number of Board members at 16 and established their term of office as follows:

- for no. 14 (fourteen) components: 3 (three) financial years and
- for no. 2 (two) components: 1 (one) financial year.

BOARD OF DIRECTORS				
No.	Name	Place and date of birth	Duration in office	In office until
1	Pietro GIULIANI	Tivoli (RM), 29/10/1956	no. 3 financial years [2022 – 2023 – 2024]	Meeting to approve the financial statements closed as at 31/12/2024
2	Gabriele BLEI	Milan, 15/03/1980	no. 3 financial years [2022 – 2023 – 2024]	Meeting to approve the financial statements closed as at 31/12/2024
3	Massimo GUIATI	Milan, 23/06/1972	no. 3 financial years [2022 – 2023 – 2024]	Meeting to approve the financial statements closed as at 31/12/2024
4	Paolo MARTINI	Genova, 26/08/1973	no. 3 financial years [2022 – 2023 – 2024]	Meeting to approve the financial statements closed at 31/12/2024
5	Giorgio MEDDA	Carbonia (SU), 26/05/1975	no. 3 financial years [2022 – 2023 – 2024]	Meeting to approve the financial statements closed at 31/12/2024
6	Alessandro ZAMBOTTI	Varese, 05/05/1982	no. 3 financial years [2022 – 2023 – 2024]	Meeting to approve the financial statements closed at 31/12/2024
7	Michela MORANDO *	Turin, 03/10/1972	no 1 financial year [2022]	Meeting to approve the financial statements closed at 31/12/2022
	Daniela PAVAN *	Venice, 18/09/1956	no 1 financial year [2023] ***	Meeting to approve the financial statements closed at 31/12/2023
	Giorgia STURLESI *	Rome, 08/07/1971	no 1 financial year [2024] ***	Meeting to approve the financial statements closed at 31/12/2024
8	Elisabetta Simona CASTELLAZZI *	Milan, 05/06/1966	no 1 financial year [2022]	Meeting to approve the financial statements closed at 31/12/2022
	Monica DE PAU *	Genova, 08/11/1963	no 1 financial year	Meeting to approve the financial

	Erica ANGELINI *	Bologna, 27/07/1971	[2023] *** no 1 financial year [2024] ***	statements closed at 31/12/2023 Meeting to approve the financial statements closed at 31/12/2024
9	Anna Maria BORTOLOTTI **	Bologna, 02/10/1958	no. 3 financial years [2022 – 2023 – 2024]	Meeting to approve the financial statements closed at 31/12/2024
10	Fiorenza DALLA RIZZA **	Milan, 30/09/1961	no. 3 financial years [2022 – 2023 – 2024]	Meeting to approve the financial statements closed at 31/12/2024
11	Marcello FOA **	Milan, 30/09/1963	no. 3 financial years [2022 – 2023 – 2024]	Meeting to approve the financial statements closed at 31/12/2024
12	Silvia PRIORI **	Turin, 17/10/1960	no. 3 financial years [2022 – 2023 – 2024]	Meeting to approve the financial statements closed at 31/12/2024
13	Vittoria SCANDROGLIO **	Seregno, 07/05/1960	no. 3 financial years [2022 – 2023 – 2024]	Meeting to approve the financial statements closed at 31/12/2024
14	Costanza BONELLI **	Mantua, 19/02/1968	no. 3 financial years [2022 – 2023 – 2024]	Meeting to approve the financial statements closed at 31/12/2024
15	Nicola COLAVITO **	Bari, 24/01/1978	no. 3 financial years [2022 – 2023 – 2024]	Meeting to approve the financial statements closed at 31/12/2024
16	Marco GALBIATI **	Carate Brianza, 19/06/1972	no. 3 financial years [2022 – 2023 – 2024]	Meeting to approve the financial statements closed at 31/12/2024

* Indicates the non-executive Directors (financial advisors qualified to sell off premises who work for companies in the Azimut Group) whose appointment is proposed for one financial year only and who will therefore alternate during the three-year term of office of the other members of the Board of Directors; this is done in order to meet the need for broad representation within the administrative body of the territorial areas that make up the voting and blocking Shareholders' Agreement of Azimut Holding S.p.A.

** Indicates the Directors who meet the independence requirements established by current legislation and the Corporate Governance Code.

*** With effect from the Shareholders' Meeting convened to approve the financial statements for the previous year.

The current Board of Directors of the Issuer therefore comprises 16 Directors, and namely:

Pietro GIULIANI	Chair
Gabriele BLEI	Chief Executive Officer
Massimo GUIATI	Chief Executive Officer
Paolo MARTINI	Chief Executive Officer
Giorgio MEDDA	Chief Executive Officer
Alessandro ZAMBOTTI	Chief Executive Officer
Anna Maria BORTOLOTTI	Director
Fiorenza DALLA RIZZA	Director
Marcello FOA	Director
Silvia PRIORI	Director
Vittoria SCANDROGLIO	Director
Costanza BONELLI	Director
Nicola COLAVITO	Director
Marco GALBIATI	Director
Michela MORANDO	Director

Elisabetta Simona **CASTELLAZZI**

Director

From the closing date of the financial year (31 December 2022) to the date of approval of this report (9 March 2023) no change has occurred in the composition of the Board of Directors.

The composition of the Issuer's Board of Directors integrates different managerial and professional profiles and also takes into account the importance of a balanced gender representation, as well as the benefits resulting from the presence of different age brackets and seniority of office; in particular, it should be noted that at least two fifths of the Board of Directors is made up of directors of the least represented gender, in accordance with art. 147-*ter* of Italian Legislative Decree no. 58/98.

In its Regulation, last updated on 21 December 2021, the Board set out that the number of members - which is decided by the Shareholders' Meeting in compliance with the provisions contained in the Articles of Association - has to be adequate with regard to the size and complexity of the organisational structure of the Company, in order to effectively supervise the whole corporate operations, with regard to both management and controls.

In order to correctly carry out its tasks, the Board is made up of persons (i) who are fully aware of the powers and obligations inherent in the functions each one of them is called upon to perform, (ii) who are professionally skilled, suitably for the role covered and related to the operational features and size of the Company, (iii) with skills spread and diversified so that each member can contribute to ensuring an effective risk management in the main areas of the Company, (iv) who devote time and resources adequate to the complexity of their office.

The number of non-executive Directors exceeds 50% and most of the latter are independent; the overall composition of the Board ensures a balance between genders according to the criteria set out in the legislation in force from time to time.

In order to favour greater diversification and expansion of the competences of the administrative body, as well as the presence of an adequate number of independent directors, in line with the market best practices also incorporated in the Corporate Governance Code, the Board of Directors has submitted to the Shareholders' Meeting of 28 April 2022, called *inter alia* to renew the Board itself, an amendment to the Articles of Association aimed at increasing the maximum number of members of the body from 15 to 18.

In its report addressed to Shareholders, the outgoing Board emphasised that the members of the administrative body must have appropriately diversified experience, competence and professionalism, spread among the various members and proportionate to the Group's operational and dimensional characteristics. In this regard, it is appropriate to consider the increase in the Group's business and its complexity in the three-year period 2019-2021.

With reference to the diversity policies, reference should be made to the provisions of the Non-Financial Report, as well as to the "ESG" documents available on the Group's website (www.azimut-group.com).

In this regard, it should be noted that the Issuer has adopted a Sustainability Policy, approved by the

Board of Directors on 5 November 2019, and last updated on 29 April 2021, with the aim of circulating the principles of environmental, social and governance sustainability and certifying the Company's commitment to incorporating said Policy into its products, business practices and relations with the various categories of stakeholders.

The recipients of the Sustainability Policy are the corporate bodies and all persons linked by employment relationships with the Company and the companies belonging to the Azimut Group, as well as all those who work for the Group, whatever their relationship with it.

This Policy specifies, among other things, that the personnel selection process is conducted with full respect for diversity, equal opportunities, heterogeneity and non-discrimination, avoiding favouritism and facilities of any kind.

The Company has also appointed a Sustainability Committee made up of corporate representatives of the Azimut Group and tasked with supervising sustainability issues related to the running of the company's business and its dynamics of interaction with all stakeholders.

With reference to ESG issues, this Committee not only performs an exclusively evaluative and consultative function in favour of the Board of Directors, but also has a proactive and investigative role, helping to ensure better monitoring of ESG risks.

Table 1 attached to this Report details the structure of the Board of Directors.

Maximum number of positions held in other companies

Attachment 1 to this Report details the positions held by the members of the Board of Directors in other companies. With regard to the additional personal and professional characteristics of each Director, please refer to the documentation published on the company's website www.azimut-group.com section "*Group - Governance - Governing Bodies*".

The Board of Directors, having also assessed the number of offices held by individual Directors, did not consider appropriate, at present, to define general criteria regarding the maximum number of directing and control positions in other companies that can be considered compatible with the effective performance of the role of director of the Issuer, without prejudice to the necessary compatibility of the offices of director and statutory auditor held in other companies listed on regulated markets, in financial, banking, insurance or large companies, with the provisions of art. 36 of Italian Decree-Law no. 201/2011, converted into law with amendments by Law no. 214 of 22 December 2011, containing provisions regarding the protection of competition and personal cross-holdings in the credit, insurance and financial markets.

The duty of each director, also sanctioned by the Regulation on the functioning of the Board of Directors, to assess in advance the possibility of dedicating to the diligent performance of the duties of director of the Issuer all the appropriate time, taking into account the commitment connected to his/her own work and professional activities and the number of offices held in other companies, paying particular attention to those offices that require greater involvement in the ordinary business of the company.

4.4 Functioning of the Board of Directors and Role of the Chair

The Board of Directors plays a central role in the company organisation, meets on a regular basis and is organised and operates in such a way as to ensure the effective and efficient performance of its functions.

The calendar of meetings is established by the end of each financial year, without prejudice to the Chair's right to call meetings whenever s/he deems it necessary, or when at least two Directors or two Standing Auditors so request.

During 2022, the Board met 10 times, with an average duration of about 1 hour and 20 minutes for each meeting. The Board was represented by all its members in 5 meetings; the remaining meetings were held in the absence of one or two directors (see **Table 1**).

7 meetings are scheduled for FY 2023, 2 of which have already been held as at the date of approval of this Report.

The Chair convenes the Board meetings, guarantees the effectiveness of the Board's debate and ensures that the resolutions passed by the Board of Directors are the result of adequate debate and the informed and reasoned contribution of all its members. For this purpose s/he ensures, also through the relevant Departments, that the Directors are provided with the necessary documentation and information well in advance to enable them to express their opinion on the matters submitted for their examination and approval.

The Chair shall also ensure that the documentation supporting the resolutions is adequate in terms of quantity and quality with respect to the items on the agenda.

The Chair coordinates the activities of the Board and leads the development of its meetings.

During Board meetings, persons from outside the Board of Directors may also be invited to attend in order to provide the necessary in-depth information on the items on the agenda. During Financial year 2022, the heads of the functions involved in the disclosure or resolution proposals submitted to the Board (such as the Head of Internal Audit, the Data Protection Officer and the Head of Legal and Corporate), unless they were also Directors, were actually called to intervene in order to present the documentation prepared, the analyses, checks and in-depth analyses carried out, as well as to answer any questions from the Directors.

In conducting Board debates, the Chair ensures that priority is given to matters of strategic importance, guaranteeing that all necessary time is devoted to them, and encourages neutral debate between executive and non-executive members, soliciting, if necessary, the active participation of the latter.

The power to propose Board resolutions is ordinarily assigned to the Chair, to each of the Chief Executive Officers and to the General Manager (if appointed); however, each Director may submit

proposals to be approved by the Board of Directors. Proposals must explicitly and clearly describe the processes carried out upstream and/or in preparation of the same, in order to allow their full reconstruction, also indicating the company functions involved from time to time.

Minutes of each meeting of the Board of Directors are taken, signed by the Chair of the meeting and the Secretary (or by a notary in the cases required by law), which allow a full reconstruction, in summary form, of the discussion held and the Board debate, as well as the clear identification of the decisions taken.

The role of Secretary of the meetings held during the year was carried out, on appointment from time to time by the Board of Directors, by the Head of the Legal and Corporate Affairs Department, in continuity with previous years. By virtue of the skills and experience s/he has acquired, s/he has the appropriate requirements to assist the Chair with professionalism and independent judgement in preparing, conducting meetings and taking minutes thereof, as well as the Board of Directors on all aspects relevant to the proper functioning of the corporate governance system.

The procedures for conducting Board meetings, as outlined above, are governed by a specific Regulation, approved by the Board of Directors on 27 November 2015, which governs, in accordance with the applicable provisions of law and the Articles of Association, the functioning of the body and which has been most recently updated with a resolution of 21 December 2021 in order to incorporate the principles of the Corporate Governance Code. The Regulation governing the functioning of the Board of Directors regulates the Board's resolution process, including the preparation and provision of documentation (as outlined above) and, more generally, the functioning of the Board itself. It identifies the standards of conduct of the Directors – who are required to act in an informed manner –, the methods of participation in the discussion, the role of the Chair, the profiles relating to the minutes, the methods of presentation and formalisation of the resolution proposals, the role of non-executive and independent directors.

With regard to the methods actually applied to ensure the timeliness, correctness and privacy of the Board members information requirement before any meeting, it should be noted that for the purposes of providing Directors with the preparatory documentation for the conduct of the meeting, the Company has developed and made available to each Board member a special software that allows them to view all the supporting documentation relating to each item on the agenda of the meeting in real time on any device, after entering their personal credentials, with an email notice warning them about the publication of the document.

With reference to the timing, the related documents - if available - were usually sent 2 to 4 days prior to the date of the meeting, depending on the relevance of the issues dealt with, unless there were special confidentiality requirements or in cases of particular and proven urgency.

For extraordinary initiatives, however, the assessment is left to the Chair of the Board of Directors on a case-by-case basis.

The supporting documentation is represented by a note/report containing information and descriptive

elements in summary form, or a detailed report when dealing with economic/financial/statistical data, in any case suitable to allow the Directors adequate knowledge of the issues under discussion for the purpose of making informed decisions.

The Chair, supported by the Chief Executive Officer in charge of dialogue with shareholders, informs the Board of Directors on the development and significant contents of the dialogue with all shareholders.

The office of Director of the Company is carried out by each member of the Board of Directors conscientiously and effectively, committing her/himself to devoting the necessary time to the office held in the Company in order to ensure a diligent performance of his/her duties, regardless of the positions held in other companies, being aware of the responsibilities inherent in the office held. The Directors act and deliberate in full knowledge of the facts, with independent judgement and autonomy, pursuing the priority objective of creating value for the Shareholders, as well as objectives of sustainable success.

Induction programme

In order to ensure that the Directors make fully informed decisions, the Regulation on the functioning of the Board of Directors envisages that the Directors - if necessary or appropriate - take part, after their appointment and during their term of office, in initiatives aimed at providing them with adequate knowledge of the business sectors in which the Company operates, of corporate dynamics and their evolution, also with a view to the Company's sustainable success, of the principles of proper risk management and of the reference regulatory and self-regulatory framework.

During the three-year period 2016/2017/2018, an induction programme was arranged (so-called "*Induction plan*") addressed in particular to Independent Directors and aimed at providing, through special sessions, more in-depth information on the Group's organisational structure and areas of activity.

During 2019, a specific training session was promoted and carried out for the benefit of the members of the Board of Directors appointed by the Shareholders' Meeting of 24 April 2019 and with the participation of the Board of Statutory Auditors on corporate governance, the functioning of the Board of Directors and the intra-board committees, as well as on the performance and reporting of control activities.

Again in 2022 the independent Directors and Statutory Auditors were also involved in the training programmes dedicated to employees and consultants of the Azimut Group, as warranted by circumstances. In particular, Directors and Statutory Auditors were provided with a *learning management system* (LMS) platform called "Azimut Academy" adopted by the Group to offer employees and the distribution network training activities aimed at ensuring that they maintain adequate levels of knowledge and professional updating, in line with regulatory requirements.

4.5 Executive Directors

Chief Executive Officers

Following the appointment of the new members of the Board of Directors resolved by the Shareholders' Meeting of 28 April 2022, the Board of Directors, which met on the same date, assigned specific delegations and powers to 5 directors, diversifying the scope of the delegations and powers by management areas and making use of the skills and expertise of each of them, as follows:

- the Chief Executive Officer, Alessandro Zambotti, has been granted all powers of ordinary administration, to be exercised with separate signature without any distinction of Area with a certain limit of amount for some specific powers; Mr. Zambotti may exercise these powers without any limit of amount with the joint signature of Mr. Gabriele Blei;
- the Chief Executive Officer, Gabriele Blei, has been granted all ordinary management powers to be exercised: (i) with separate signature limited to the Investment Banking Area and with a certain limit of amount for some specific powers; (ii) with separate signature, without any distinction of Area in case of absence or impediment of the Chief Executive Officer Alessandro Zambotti, with a certain limit of amount for some specific powers; (iii) with joint signature without any distinction of Area with that of the Chief Executive Officer Paolo Martini. Mr. Blei is entitled to exercise such powers without any limit of amount with the joint signature of Mr. Martini or Mr. Zambotti;
- the Chief Executive Officer Paolo Martini is vested with all powers of ordinary administration to be exercised: (i) with separate signature limited to the Commercial and Marketing Areas including the activities related to the development in the sector of distribution and alternative investments in the national territory with a certain limit of amount; (ii) with joint signature without any distinction of Area with that of the Director Alessandro Zambotti with a certain limit of amount for some specific powers; Mr. Martini may exercise such powers without any limit of amount with the joint signature of Mr. Blei or Mr. Zambotti;
- the Chief Executive Officer, Massimo Guiati, has been granted, with separate signature, all the powers of ordinary administration, with a certain limit of amount for some specific powers, the exercise of which is necessary for the activities connected with and/or consequent to the carrying out of operations related to the distribution activity carried out by Group companies in the United States of America and in Australia; Mr. Guiati may exercise these powers without any limit of amount with the joint signature of Mr. Blei or Mr. Zambotti;
- the Chief Executive Officer, Giorgio Medda, has been granted, with separate signature, all the powers of ordinary administration, with a certain amount limit for some specific powers, the exercise of which is necessary for the development and carrying out of the activities connected and/or consequent to the carrying out of the operations in which the product companies of the Group are involved, as well as the Group's distribution companies in Luxembourg, Ireland, England, China (Hong Kong and Shanghai), United Arab Emirates, Monaco, Switzerland, Singapore, Brazil, Taiwan, Turkey, Mexico, Chile and Egypt; Mr. Medda may exercise such powers without any limit of amount with the joint signature of Mr. Blei or Mr. Zambotti.

As anticipated, among the Chief Executive Officers, the main person responsible for the management of the company is Mr. Alessandro Zambotti, to whom the Board of Directors has granted the broadest

powers.

The delegated bodies provide the Board of Directors and the Board of Statutory Auditors with adequate information on a quarterly basis in accordance with art. 2381, fifth paragraph, of the Civil Code, concerning atypical, unusual or related party transactions, the examination and approval of which are not reserved for the Board of Directors.

Chair of the Board of Directors

The Chair of the Board of Directors, Mr. Pietro Giuliani, is only granted the powers of representation of the Company without any operational delegation. He is not a controlling shareholder of the Issuer.

Executive Committee and other executive directors

There are no other executive directors on the Issuer's Board of Directors in addition to those indicated in this point 4.5 and there are no other Board Committees further to the ones specified in point 6 of this Report.

4.6 Independent Directors and Lead Independent Directors

Independent Directors

The Board of Directors of the Issuer, appointed by the Shareholders' Meeting of 28 April 2022, is composed of eleven non-executive directors, including the Chair Pietro Giuliani, eight of whom are independent: Costanza Bonelli, Anna Maria Bortolotti, Nicola Colavito, Fiorenza Dalla Rizza, Marcello Foa, Marco Galbiati, Silvia Priori, Vittoria Scandroglio.

These Directors indicated, upon submitting the list for the appointment of the Board, their eligibility to qualify as independent directors and undertook to notify the Company of any change with respect to their statements.

The Independent Directors represent half of the Board of Directors, in accordance with the provisions of both Article 147-ter, paragraph 4 of the Consolidated Law on Finance (which requires the appointment of at least two independent directors, if the Board of Directors consists of more than seven members), and the Corporate Governance Code.

The number of Independent Directors is therefore deemed appropriate to guarantee the effectiveness of the role entrusted to them, to ensure that their judgement can carry significant weight in the taking of board decisions, and to allow for the establishment of Board committees.

Thanks to their individual professional skills, the independent Directors bring their specific expertise to board discussions, contributing to the making of decisions in line with the Company's interests.

The Board of Directors - pursuant to the combined provisions of article 147-*ter*, paragraph 4, article 148, paragraph 3 of the Consolidated Act on Finance and the criteria set out in the Corporate Governance Code, on the basis of the information and statements provided by the persons concerned and the information at its disposal - assesses the existence of the independence requirement (i) after the appointment of a new Director who qualifies as independent; (ii) during the term of office, if any circumstance arises that has a bearing on independence; (iii) on an annual basis, for all Independent Directors.

At its meeting of 12 May 2022, before proceeding to ascertain the independence requirement pursuant to Article 148 of the Consolidated Law on Finance and the Corporate Governance Code for Directors who have declared to be independent and for Statutory Auditors, the Board of Directors established the criteria for assessing the significance of any commercial, financial and professional relations existing between the person and the Company, in accordance with the provisions of Recommendation 7 of the Code.

Specifically, it was resolved that, subject to the recurrence of specific circumstances to be assessed on a case-by-case basis in accordance with the principle of substance over form, situations in which the consideration invoiced per year in the current year and in the year preceding the date of the check exceeds, even in a single year, at least one of the following parameters would be considered significant:

- for relations of a commercial or financial nature: (i) 5% of the annual turnover of the company or entity of which the person has control or is a significant exponent, or of the professional firm or consulting company of which the person is a partner and/or (ii) 5% of the annual costs incurred by the Azimut Group which are attributable to the same type of contractual relationship;
- for professional services: (i) 5% of the annual turnover of the company or entity of which the person has control or is a significant exponent, or of the professional firm or consulting company of which the person is a partner and/or (ii) 2.5% of the annual costs incurred by the Azimut Group which are attributable to assignments of a similar nature.

The same criteria apply to determine the materiality of any additional remuneration over and above the fixed remuneration for the office of independent director and the remuneration for any participation in committees (Recommendation No. 7, letter d).

The assessment of whether the Directors appointed by the Shareholders' Meeting of 28 April 2022 met the independence requirements was made not only by the Shareholders' Meeting at the time of their appointment on the basis of the documentation submitted, but also by the Board of Directors during the meeting of 27 May 2022 in the manner and by applying the criteria set out above. The Directors concerned have provided all the documentation useful or necessary for this purpose.

The Board, with the aim of ensuring the full functionality of the same, also assesses the satisfaction of suitable requirements, skills and professionalism on the part of the Directors.

The outcome of the assessment carried out by the Board of Directors, which ascertained that the Directors Costanza Bonelli, Anna Maria Bortolotti, Nicola Colavito, Fiorenza Dalla Rizza, Marcello Foa, Marco Galbiati, Silvia Priori and Vittoria Scandroglio meet the independence requirements, was

disclosed by means of a press release to the market at the end of the meeting, pursuant to Article 144-*novies*, paragraph 1-*bis* of the Consob Issuers' Regulation.

The Board of Statutory Auditors - within the supervisory activity on the methods of implementation of the corporate governance rules set out in the Code of Corporate Governance carried out pursuant to art. 149, paragraph 1, letter c-*bis*) of the Italian Consolidated Law on Finance - verified, among other things, the correct application of the assessment criteria and procedures adopted by the Board in order to assess the independence of its members.

The above procedure is considered suitable to ensure the exercise of effective control over the maintenance of independence requirements and in line with the Code's application criterion, according to which the assessment must be carried out with regard more to the substance than to the form.

The independent Directors met during the year, even in the absence of the other Directors, also at the meetings of the Remuneration Committee, the Control and Risk Committee and the Related Parties' Committee referred to in paragraphs 7 and 8 below.

As described in paragraph 4.4 above, Independent Directors and Statutory Auditors may have access to training programmes dedicated to Azimut Group employees and consultants from time to time.

Lead Independent director

The Board of Directors decided not to identify a lead independent director, given that the Chair is a non-executive director and is not a controlling shareholder of the Company, either individually or jointly with others. There was also no need for such an appointment by the Independent Directors.

In this regard, it should be noted that the Company, as indicated in point 4.5 above, has provided for the separation of the roles of Chair and Chief Executive Officers, granting the Chair the powers of representation of the Company without any operational delegations.

5. PROCESSING THE COMPANY INFORMATION

The Chief Executive Officers ensure the correct management of corporate information; to this end, they propose to the Board of Directors the adoption of procedures for the internal management and external communication of documents and information concerning the company, with particular reference to "price-sensitive" information and those relating to transactions in financial instruments carried out by persons who, due to their position, have access to relevant information.

All Directors are required to maintain the confidentiality of documents and information acquired in the performance of their duties and to comply with the procedures adopted for the external communication of such documents and information.

The Company, in accordance with "Market abuse" regulations and the provisions of the Code, has adopted a specific internal procedure for the management of confidential information and for the

external communication of price-sensitive information.

The procedure also governs the disclosure obligations relating to transactions in financial instruments carried out by directors, statutory auditors and other persons who, by reason of their office, have access to relevant information, as required by current legislation.

In particular, on 3 July 2016, the regulatory obligations set out in EU Regulation no. 596/2014, Directive 2014/57/EU and the related implementing technical regulations became applicable. They aimed at establishing a common regulatory framework and therefore a uniform discipline at EU level, on insider trading and market manipulation, measures aimed at preventing market abuse, as well as establishing minimum measures for criminal sanctions applicable in this area.

On 28 June 2016, 27 September 2016, 10 May 2018 and 23 April 2020, the Board of Directors therefore updated the "*Policy on Market Abuse, Inside Information and Internal Dealing*", in order to incorporate the changes introduced by the aforesaid regulations, also making the consequent adjustments to the related company procedures.

A new list of persons with access to inside information has been created to replace the register in use and set up by the Company in compliance with the provisions of article 115-*bis* of the TUF. This new list is managed through a database having the technical/functional characteristics necessary to ensure compliance with the requirements of logical and physical security, the impossibility to change records and ease of consultation and search.

In compliance with the provisions of the EU Implementing Regulation no. 2016/347, on this matter and governing the format and technical procedures for maintaining the aforementioned list, the list has been divided into separate sections, one for each piece of inside information. Each section lists all the persons (and their personal data) who have access to the piece of inside information specifically indicated.

The Board of Directors' meeting of 28 June 2016 also resolved to create an additional section in the aforementioned list, called the *permanent access section*, in which the persons who, by function and position, always have access to all the inside information present at the Company are included together with their personal data.

On 13 October 2017 CONSOB issued specific Guidelines for the Management of Inside Information, which required the introduction of organisational and procedural mechanisms for monitoring the phases leading to the publication of inside information. In order to comply with the obligation to publish inside information as soon as possible, the Guidelines provide that the issuer is required to monitor the stages leading to publication. Within this context, therefore, the Company must identify and monitor the so-called "material" types of information, i.e. those types of information that the issuer considers material, since they relate to data, events, projects or circumstances that, on an ongoing, repetitive, periodic, or irregular, occasional or unforeseen basis, directly concern the issuer itself and that may, at a later date, even in the near future, become inside information.

In this regard, the Company has also implemented, in compliance with the provisions of the aforesaid Guidelines, an additional register, developed through an IT platform, and called "*relevant insider list*" ("RIL"), which makes it possible to identify persons who have access to relevant information.

The above was done in order to ensure the timely identification and continuous monitoring of the

circulation of specific relevant information up to the moment when it takes on the character of inside information and is therefore automatically passed, together with all the accompanying information required by the regulations, into the current inside information system, thus reducing the timing of the inside information management process.

The Issuer has also designated the organisational functions responsible for the management and handling of relevant information, i.e. (i) the "FGIP" Privileged Information Management Function responsible for carrying out the tasks related to the regulatory obligations concerning the management of inside information and keeping the insider list, according to the terms set out in the corresponding Policy; and (ii) the "FOCIP" Organisational Functions Responsible for Privileged Information, i.e. each organisational Function identified within the Group, which originates or becomes aware of relevant and/or inside information by virtue of its activity.

In addition, at a meeting held on 20 September 2018, the Board of Directors approved the Guidelines on Market Abuse and Inside Information, which set forth the principles, roles and responsibilities within the Group with regard to market abuse and internal dealing, in order to avoid risks of non-compliance and violations of the regulatory framework by the Group's Italian and foreign subsidiaries.

Lastly, it should be noted that the Board of Directors' meeting of 1 August 2019 approved the *market abuse* procedure, the purpose of which is to illustrate the process adopted by the Company for the management of relevant and/or inside information in order to prevent the abuse and/or illicit communication of inside information. This enables better risk management with regard to market abuse and manipulation, ensures greater integrity of the financial markets and strengthens investor protection and market confidence. This procedure describes in details the activities carried out in implementation of the MAR regulations and, in particular, identifies the subjects involved and their roles and responsibilities, describing the different phases of the process and defining the information flows between the various players involved in the process. The procedure is part and parcel of the regulatory *framework* adopted by the Company and is defined in coordination with the other Policies/Procedures adopted by the same, including the policy on *market abuse*. The above mentioned procedure was last updated by the Board of Directors on 10 November 2022.

6. INTERNAL COMMITTEES OF THE BOARD

In accordance with the provisions of the Code, the Company's Board of Directors has set up the internal committees indicated below with advisory, proposal or control functions, which are guaranteed the right of access to relevant information: Remuneration Committee (paragraph 7.2) and Control and Risk Committee (paragraph 8.3). Each Committee has its own regulation, approved by the Board, which identifies its functions and powers, composition and methods of carrying out the meetings.

For the time being, the Board has not deemed it necessary to set up an internal committee to propose appointments to the position of director, reserving the related functions to the entire Board under the coordination of the Chairman, also taking into account that the appointment of directors is already

governed in detail by the Articles of Association in compliance with the analytical provisions of the law and the Civil Code, also with particular regard to the protection of minority shareholders and gender diversity, and that, in any case, the adoption of proposals in this respect is deemed to be pursued by the Board as a whole.

The Control and Risk Committee also acts as the Related Parties' Committee, in compliance with the Regulation on Transactions with Related Parties adopted by CONSOB with resolution no. 17221 of 12 March 2010 and subsequent amendments (paragraph 9).

The Company has also set up a Sustainability Committee made up of corporate representatives of the Azimut Group and tasked with supervising sustainability issues related to the running of the company's business and its dynamics of interaction with all stakeholders.

Said Committee met 4 times during Financial Year 2022 and the individual meetings lasted approximately one hour each. For 2023, at least 4 meetings are planned.

Table 2 attached to this Report details the structure of the Committees.

7. DIRECTORS' REMUNERATION - REMUNERATION COMMITTEE

7.1 Remuneration of Directors

It should be noted that – as a result of the structure coming from the Issuer's deletion from the Register of the Groups of Italian securities brokerage firms called SIM – the provisions on remuneration and incentive policies and practices in banks and banking groups of Banca d'Italia (also applicable to SIM and their groups) set out in Circular no. 285 of 17 November 2013 are no longer applicable. Moreover, by virtue of the aforementioned consequences deriving from the fact that the regulations CRD IV ceased to apply to the Company, the previous text of art. 17 of the Articles of Association no longer appeared to be in line with art. 123-*ter*, sixth paragraph of the Italian TUF.

Accordingly, the Company amended Article 17 of its Articles of Association by resolution of the Board of Directors on 7 March 2019, pursuant to Article 2365 paragraph 2 of the Civil Code and Article 25 of its Articles of Association.

The Shareholders' Meeting is ensured adequate information on the implementation of the remuneration policies within the terms provided for by Article 123-*ter*, sixth paragraph, TUF.

Under article 27 of the Articles of Association, the compensation, in whatever form, to the members of the Board of Directors and the Executive Committee, if appointed, shall be established by the Meeting, including through the determination of a one-off amount under article 2389 of the Italian Civil Code.

The Board of Directors also establishes the remuneration of Directors holding particular offices, after consulting the Board of Statutory Auditors.

The remuneration and incentive Policy for the 2022 financial year, resolved by the Board of Directors and approved by the Shareholders' Meeting held on 28 April 2022, is described in the first section of the "Report on the remuneration policy and remuneration paid" published pursuant to Article 123-*ter* of the Consolidated Law on Finance, to which reference should be made.

The mentioned report describes, among other things, the decision-making process for the preparation and approval of the Policy, highlighting the function of the various parties involved. In this regard, it should be noted that no independent experts were involved, since the feedback received from Investors and Proxy Advisors was taken into consideration and modelled and, in line with the provisions of the Issuers' Regulations, the evaluations and votes expressed by shareholders during the previous Shareholders' Meeting were taken into account.

The Group has put in place a series of cornerstones and procedural controls aimed at pursuing its mission, based on the creation of ongoing and excellent results for the different stakeholders and on compliance with the principles of (i) meritocracy and internal fairness, in terms of consistency between remuneration and responsibilities, skills, ability and role held, and ii) competitiveness, in terms of pay balance with respect to the reference markets.

The remuneration system of the Azimut Group first and foremost motivates, encourages and rewards those who, for several reasons, profitably share their experience and skills with the Group, thus directly participating in its development, while at the same time ensuring accurate business risk management.

The Policy has been developed with the aim of promoting an increasing alignment of the interests of *management* with those of *stakeholders*, also taking into account the main market practices, subject to compliance with current legislation. It contributes to the business strategy, the pursuit of long-term interests and the sustainability of the Issuer.

With this in mind, the Company also wanted to adopt a long-term incentive plan for executive Directors in order to reward and incentivise long-term performance, while aligning the sustainability of the Group's development and the interests of its shareholders.

As was the case in 2021, a number of objectives related to environmental, social and governance (ESG) issues were identified and assigned as part of the annual performance measurement; ESG parameters were also included in the long-term incentive plan.

The remuneration of the independent and/or non-executive Directors, as well as the remuneration due to the members of the Board of Statutory Auditors, is not linked to the financial results achieved by the Issuer, and is represented solely by a fixed component resolved by the ordinary Shareholders' Meeting (without prejudice to any additional fees provided for participation in committees within the Board of Directors).

It should be noted that to date there are no chief executive officers or top managers with whom the Group has signed non-competition agreements aimed at preventing them from carrying out competitive activities for a certain period of time and geographical area following the termination of their employment. In the event that new competition agreements are signed, it should be noted that, in any case, the relative consideration, which is of limited duration, will be determined in accordance with the applicable regulations, as it pertains to the duration and territorial extent of the restriction and to any prejudice that could be caused to the Company and/or the Group in the event that the person concerned were to carry out activities in competition with those of the Company and/or the Group, or disclose information which (even if not classified as confidential under the law) could also cause harm to the Company and/or the Group, also taking into account the role and responsibilities previously held by the person concerned. In any case, such consideration may not exceed the maximum total amount of the compensation provided in the event of termination of the relationship.

No agreements providing for indemnities in the event of early employment termination, such as non-cash benefits, or consultancy agreements, or other forms of employment and/or relationship have been entered into between Company and Directors, Statutory Auditors, General Managers and Key Executives.

In this regard, it should be noted that the decision not to renew the office of General Manager held by Mr. Paolo Martini within the deadline to assign corporate offices by the Board of Directors, following the renewal of the administrative body resolved by the Shareholders' Meeting of 28 April 2022 (point 4.3), did not entail the award of indemnities and/or any other economic or non-monetary benefit to the General Manager.

For a detailed description of the remuneration policy, please refer to the first section of the above-mentioned "Report on the remuneration policy and remuneration paid", published pursuant to Article 123-ter of the Consolidated Law on Finance.

It should also be noted that on 09 March 2023, the Board of Directors approved the report on the remuneration policy for 2023 and the remuneration paid in 2022 pursuant to Article 123-ter, paragraph 3-bis and paragraph 6, of Legislative Decree no. 58/98, which will be submitted to the Shareholders' Meeting.

The Policy has been defined with the aim of promoting an increasing alignment of the interests of management with those of stakeholders, also taking into account the main market practices, subject to compliance with current legislation. In particular, it contributes to the corporate strategy, the pursuit of long-term interests and the sustainability of the Company.

In determining the relative contents, account was also taken of the remuneration and working conditions of the employees.

The Company's commitment to ESG issues is therefore strengthened once again this year, linking the Policy to sustainability issues through the use of qualitative and quantitative short- and medium-to-long

term indicators focused on a range of ESG factors.

With a view to continuous improvement and to foster sustainable development, important changes have been introduced compared to the 2022 Policy. Among these, we note the inclusion of greater details in the *Executive Summary*, such as to clarify further criteria underlying the Policy with a view to greater transparency; the expansion of the illustration of the principles underlying the Policy, with particular *focus* on and enhancement of the ESG sustainability path undertaken by the Company; raising the access *gate* to the variable incentive plans; better *disclosure* of the individual goal sheets; the inclusion of a *focus* on the *Gender Pay Gap*; and, the clarification of the terms and methods of payment of the variable component of remuneration.

With respect to 2022, we are confirming the absence of discretionary variable bonuses for Managing Directors and the maintenance of a medium-long term incentive plan that includes deferred pay-mix systems, and with a view to sustainability, the ESG targets.

Finally, in terms of new elements, the Company intends to implement a specific benchmarking activity in 2023, however noting the peculiarity of its governance structure which, being characterised by the presence of five Chief Executive Officers, is specific compared to that of companies having core business equivalents.

7.2 Remuneration Committee

The Board of Directors has established an internal Committee for remuneration and any stock option or share allocation plans, the functioning of which is governed by the "*Regulation for the functioning of the Remuneration Committee*", approved at the Board meeting of 27 November 2015 in order to ensure better traceability of the decision-making processes and to better identify the role of the Committee; this regulation was most recently updated on 21 December 2021.

The Regulation governs the Committee's operating procedures and identifies its responsibilities, based on the best standards on the matter, and taking into account the indications of the Code of Corporate Governance.

In particular, the Committee plays a consultative and propositional role in relation to the Board of Directors on remuneration and incentive policies applicable to the Issuer and the Group companies. Specifically, among other things:

- submits opinions, proposals and indications to the Board of Directors regarding the determination of the remuneration due to those who hold the positions of Chair of the Board of Directors, Chief Executive Officer and General Manager, where appointed, and to the other executive Directors, also expressing opinions on the definition of *performance* objectives related to any variable remuneration component;
- it defines criteria and provides information on the Remuneration and Incentive Policies of the Azimut

- Group's in compliance with the provisions of the regulations in force from time to time;
- it defines criteria and indicates the remuneration of the most relevant personnel, as identified in the Remuneration and Incentive Policy adopted by the Company;
 - it periodically assesses the overall consistency and actual application of the policy adopted for the remuneration of directors, key executives and other personnel, in accordance with the provisions of the regulations in force from time to time and the Remuneration and Incentive Policies adopted by the Company, and makes proposals to the Board of Directors on the matter.

During the 2022 financial year, the Remuneration Committee focused, among other things, on:

- revision of the compensation and remuneration policy to be submitted to the Board of Directors and proposal of the related suggestions;
- consideration of the appointment of managers;
- review of Directors' emoluments and discretionary allocation to relevant personnel;
- review of the CEOs' goal sheets, remuneration criteria and compensation for the year 2022;
- review of the ISS and Glass Lewis Proxy Advisor reports;
- preparation for talks with the Proxy Advisors scheduled for early 2023;
- elaboration of proposals for finalising the remuneration policy for 2023, also considering ESG criteria and industry best practices.

The Chair of the Committee informed the Board of Directors about the activities carried out.

The Committee is entitled to access (and had access during the Financial Year) to the information and corporate functions necessary to perform the tasks assigned to it and may avail itself of external consultants at the Company's expense.

The aforementioned Regulation provides that the Committee shall be composed of at least three non-executive members of the Board of Directors, the majority of whom shall be independent, and that it shall be chaired by an independent director.

On 28 April 2022, the Board appointed three independent directors as members of the Remuneration Committee in the persons of Mr. Marcello Foa, Ms. Anna Maria Bortolotti and Ms. Fiorenza Dalla Rizza, and there were no changes as of the date of approval of this Report. Mr. Marcello Foa holds the position of Chair of the aforesaid Committee.

All members have adequate knowledge and experience in financial matters and/or remuneration policies.

The Chair of the Committee presides over the Committee's meetings and prepares the works; directs, coordinates and moderates the discussion; represents the Committee at meetings of the Board of Directors and in relations with other corporate bodies, and may also sign the reports and opinions to be submitted to the Board of Directors on behalf of the Committee.

S/he also guarantees the effectiveness of the debate and ensures that the resolutions passed by the

Committee are the result of adequate debate and the informed and reasoned contribution of all its members.

The Committee meets at least twice a year on the initiative of its Chair, who also sends the call notice to the Chair of the Board of Statutory Auditors, in order to ensure their involvement and informs the Chair of the Board of Directors, with a view to fostering coordination between the works of the Board and the Committee.

No director can be present during the portion of the meeting in which matters relating to his or her own compensation are discussed, nor is he or she entitled to participate in the decisions relating thereto.

Minutes of each meeting are kept, signed by the Chair of the Committee and the Secretary.

During 2022, the Committee met 6 times with an average duration of about one hour for each meeting. All meetings were attended by the Board of Statutory Auditors in the person of its Chair. The Head of the Company's Human Resources Department attends the Committee's meetings, upon invitation by the Chair, and also acts as secretary. Some meetings were also attended, upon invitation by the Chair, by the Head of the Company's Investor Relation function and members of the Board of Directors belonging to the Top Management.

7 meetings are scheduled for FY 2023, 4 of which have already been held as at the date of approval of this Report. Please refer to the attached **Table 2** for additional information.

The Committee is entrusted with an important role in the context of the Group's remuneration and incentive practices, in line with the indications emerging from the most recent rules on the matter, both *ex-ante* (definition of remuneration policies) and *ex-post*, with particular regard to verifying the choices made with regard to the Group's remuneration policy and the regulations of the sector over time.

It should also be noted that the subsidiaries Azimut Capital Management SGR S.p.A. and Azimut Libera Impresa SGR S.p.A. have also set up a specific Remuneration Committee.

8. INTERNAL CONTROL AND RISK MANAGEMENT SYSTEM - CONTROL AND RISK COMMITTEE

8.1 Internal control and risk management system

With regard to the overall internal control system adopted, it should be noted that the Issuer's internal control system is supervised by the following:

- Board of Directors;
- Board of Auditors;
- Control and Risk Committee;
- Supervisory Body (in accordance with Italian Legislative Decree 231/01);
- Anti-Corruption Officer;
- Support from the Internal Audit, Risk Management, Compliance and Anti-Money Laundering

functions of Azimut Capital Management SGR S.p.A. as better described below.

The Board of Directors of every company resolves on the strategies and the policies and assesses the risks taken, establishes the acceptable levels of such risks and makes sure that the Top Management takes the measures required to identify, monitor and control these risks; it approves the organisational structure and the internal control structure and makes sure that the Top Management continuously checks the effectiveness of the internal control system over time.

The Board of Statutory Auditors has the task of verifying the overall smooth operation of the Company, also assessing the degree of efficiency and adequacy of the control system.

On 21 November 2018, the Board of Directors approved the reorganisation of the Group's internal control system, based on a logic considered more appropriate to the structure resulting from its deletion from the Register of SIM Groups. The Parent Company has therefore decided not to continue to keep the Group's control functions (Compliance, Internal Audit, Anti-Money Laundering and Risk Management) centralised, but to transfer these tasks and responsibilities to the operating subsidiaries.

This solution, among other things, has the advantage of bringing the control functions closer to the operational functions of the individual companies and restores the physiological situation of insourcing the control functions (in this regard, we would like to point out that, in the previous system, the outsourcing of control functions, as well as other essential operational functions, was an exception to the basic structure, which sees – on the other hand – these functions assigned to the supervised intermediary).

At the Issuer's premises, the Control and Risk Committee thus becomes the point of connection of the information flows coming from the Italian and foreign subsidiaries. The flows are sent to the Committee and the Board of Directors (of which the Committee is a member). The Committee meets, at its discretion, with the Heads of the Control Functions of the individual subsidiaries, also for the purpose of assessing the coordination of the activities of these functions and may request the aforesaid functions of the individual subsidiaries (depending on the different specific responsibilities) to carry out follow-up checks on specific operational areas if the checks carried out by them reveal any risk profiles for the Group. The Committee reports in turn to the Board of Directors of the Company and is supported in the performance of its activities and functions by the *Group Head of Legal*, appointed by the Board of Directors on 22 October 2020.

The Company receives information from the operating companies (in the form of summary reports) and evaluates the most significant profiles from the control system (i.e. those that are potentially likely to have a significant impact on the risk profile of the Group as a whole). In this sense, the new structure is therefore more in line with the typical functions related to the management and coordination activities of a *Holding* company, such as the Issuer since its deletion from the SIM register, distinguishing, on the one hand, the operational profile (which remains in the hands of the supervised companies) and, on the

other hand, the strategic profile (in the hands of the *Holding* company).

In any case, the Issuer continues to be supported by the control functions of Azimut Capital Management SGR S.p.A. by virtue of a service agreement signed with the aforesaid company and concerning advisory and assistance activities in relation to all issues relating to the Issuer concerning, *inter alia*, the regulation of market abuse, listed issuers and the organisational model.

The Group has also set up systems for internal and external reporting of any irregularities detected in accordance with the procedures and policies in place regarding Market Abuse, as well as the organisational model adopted pursuant to Italian Legislative Decree no. 231 of 8 June 2001.

Finally, the Issuer has a specific Whistleblowing Policy, updated by the Board of Directors on 10 March 2022, which allows for the internal reporting by personnel of conducts or facts that may constitute a violation of the rules governing the activity carried out, as well as of Regulation (EU) no. 596/2014. The policy has also been implemented by Group companies.

The Issuer's internal structures rely on the support of the Risk Management Function of Azimut Capital Management SGR S.p.A. for the necessary control activities on the matter, based on a specific service agreement.

The Department reports to the Control and Risk Committee on the operational and reputational risks of Azimut Capital Management SGR S.p.A., based on a specific service agreement, on the operational and reputational risks of the other companies directly controlled by Azimut Holding S.p.A., based on what is periodically communicated by the respective Risk Management departments.

The Risk Management structures of the various companies of Azimut Group define and implement their own risk governance policies, through an appropriate risk management process, taking into account the principle of proportionality, the different areas of risk to which they are exposed and the regulations applicable to them.

The Control and Risk Committee periodically reports to the Board of Directors on the results of the assessments carried out during the year, as well as on the definition and formalisation of the Group's Guidelines for the management of operational and reputational risks.

As part of its activities, the Function covers the following risks:

- operational risks;
- reputational risks

Operational Risk

Operational risk is defined as the risk to incur potential losses due to inadequate or defective aspects of procedure, human resources, internal processes, or external events. Operational risk includes legal risk, but not strategic and reputational risk.

Reputational Risk

Reputational risk is defined as the current or prospective risk of a decline in profits or capital resulting from a negative perception of the Company's image by customers, counterparties, shareholders, investors and the Supervisory Authorities, with a consequent loss of confidence and credibility.

The Issuer's internal structures rely on the support of the Compliance function of Azimut Capital Management SGR S.p.A. for the necessary control activities on the matter, based on a specific service agreement.

The purpose of the compliance support activity is to provide advice and assistance to the Issuer's competent structures in order to prevent and manage the risk of non-compliance with regulations so as to contribute to the creation of corporate value through operational and managerial correctness and to support Top Management in defining the organisational and operational controls to be put in place.

The activity is carried out on the basis of an audit plan, which indicates the investigations to be carried out during the year in order to cover the most significant compliance risks.

The Control and Risk Committee periodically reports to the Board of Directors on the results of the checks carried out during the year, as well as on the indications given to remedy any shortcomings.

The Issuer's internal structures also rely on the support of the anti-money laundering and anti-terrorist financing (AML) function of Azimut Capital Management SGR S.p.A. for the necessary control activities on the matter, based on a specific service agreement.

The anti-money laundering support activity is aimed at advising and assisting the Issuer's competent corporate functions in order to prevent and manage the risk of using the Group's structures for money laundering and terrorist financing purposes so as to contribute to the creation of corporate value through operational and managerial correctness and to support Top Management in defining the organisational and operational controls to be put in place.

With reference to the Supervisory Body pursuant to Legislative Decree no. 231 of 8 June 2001 please refer to point 8.5.

Azimut Group has adopted a policy setting out the controls over corporate and Group financial reporting, last amended in March 2020, and has defined a risk management and internal control system in relation to financial reporting based on the model outlined in "*COSO Report*"¹. According to the definition developed by COSO, internal control is a process, carried out by the Board of Directors, managers and other operators in the company structure, which aims to provide reasonable assurance on the achievement of the following objectives:

- effectiveness and efficiency of operational activities;
- reliability of the information in the financial statements;

¹ COSO model, developed by the Committee of Sponsoring Organizations of the Treadway Commission - "Internal Control - Integrated Framework" published in 1992 and updated in 1994 by the Committee of Sponsoring Organizations of the Treadway Commission.

- compliance with the law and regulations in force.

In relation to the financial reporting process, these objectives are identified in the reliability, accuracy and timeliness of the disclosure itself.

The Azimut Group, in defining its internal control system in relation to the financial reporting process, has complied with the indications existing in this regard in the following reference regulations:

- Italian Legislative Decree 58/1998 (Consolidated Law on Finance or TUF);
- CONSOB Issuers' Regulations;
- Italian Law 262/2005 and subsequent amendments, and subsequent legislative decrees concerning the preparation of corporate accounting documents;
- Civil Code, which provides for the extension to the Managers Responsible for the preparation of accounting documents of the offence of corporate management liability (Article 2434 of the Civil Code), bribery among private individuals (Article 2635 of the Civil Code) and the offence of obstructing the exercise of the functions of public and supervisory authorities (Article 2638 of the Civil Code);
- Italian Legislative Decree 231/2001, which - recalling the provisions of the Italian Civil Code mentioned above and the administrative liability of legal entities for crimes committed by their employees against the Public Administration - considers the Manager in charge of preparing the Company's financial reports to be among the top management.

Methodological Approach

The risk management and control system in relation to the Azimut Group's financial reporting is part of a broader control environment, which takes into account other elements, including:

- the Code of Ethics;
- the organisation and management model pursuant to Italian Legislative Decree 231/2001 and its protocols;
- the Anti-Corruption Guidelines;
- the procedures for Internal Dealing communications;
- the principles and procedures for carrying out material transactions and transactions with related parties;
- the system of organisational procedures of the companies belonging to the Group;
- the risk mapping process adopted.

In addition, the Azimut Group has put in place and maintains a set of administrative and accounting procedures to ensure an adequate level of effectiveness of the internal control system on financial reporting. In particular, on 10 March 2022 and, most recently, on 9 March 2023, the Board of Directors approved the update to the Company's general accounting and financial statements procedure in order

to implement, inter alia, the provisions of the Delegated Regulation (EU) 2018/815 (so-called ESEF Regulation), by virtue of which the Company is required to prepare its consolidated financial statements in the single electronic communication format, known as European Single Electronic Format (ESEF), and specifically with the xHTML computer language.

In accordance with the definition included in the COSO Report - which is, as indicated above, the framework chosen by the Azimut Group for the definition of its internal control system - the internal control process consists of the implementation and permanent adoption of adequate management systems, aimed at providing directors and management with reasonable certainty as to the reliability of financial reporting, compliance with laws and internal regulations, and the effectiveness and efficiency of the main corporate processes.

The internal control process aims, among other things, to prevent and control the risks of errors and fraud. However, due to limitations inherent in all control systems, the internal control process cannot guarantee that all risks of errors or fraud are completely eliminated or controlled.

Identification and assessment of risks and related controls on financial reporting

The process of identifying and assessing risks relating to financial reporting was carried out through a Risk Assessment process that made it possible to identify the organisational units, processes and related accounting items capable of generating potential material errors and affecting the correctness of financial reporting.

The Azimut Group's methodological approach associates risks and related controls with the transactions and business processes from which the accounting data are derived. This approach provides for the definition of quantitative criteria in relation to the economic and financial contribution provided by management operations and the application of selection criteria through minimum materiality thresholds.

The risks, identified through the Risk Assessment process and assessed as significant, require the definition of specific controls that ensure their mitigation, thus limiting the possible impact of a potential material error on financial reporting within acceptable thresholds.

The nature of the controls is twofold:

- controls at the level of the Parent Company or individual subsidiaries, such as the structure of delegated powers and authorisation processes, segregation of roles/responsibilities and granting of access rights to the various IT applications. The risks covered by this type of control relate, with reference to financial reporting, to the possibility of fraud, incorrect operation of IT systems or lack of separation of;
- *ex-ante* and *ex-post* controls, which may be either manual or automatic in nature, consisting of process and/or operational controls such as reconciliations, consistency and reasonableness checks and controls on accounting closure processes.

Testing activities are carried out on an ongoing basis throughout the year based on the

recommendation and with the coordination of the Manager in Charge, using his/her own structure and, where deemed necessary, with the support of the Internal Audit function of Azimut Capital Management SGR S.p.A. This function, in the performance of its ordinary activities, may also provide useful information to identify and assess critical factors that fall within the scope of financial reporting.

The evaluation of the controls may involve the identification of additional controls, corrective actions or improvement plans in relation to any problems that have emerged.

The Manager in Charge is constantly informed about this monitoring activity and therefore about the reliability of the financial reporting control system.

In addition, the Company prepares a consolidated non-financial statement (DNF) drawn up in accordance with Articles 3 and 4 of Legislative Decree 254 of 30 December 2016 and subsequent amendments and additions made by the Group. The document aims to ensure an understanding of the Group's organisational model, activities, main risks and *performance* indicators in relation to environmental, social, personnel, human rights and anti-corruption aspects that are relevant, in line with Article 3 of Legislative Decree 254/2016, taking into account the Group's activities and characteristics during the reference financial year (1 January 2022 - 31 December 2022).

The Statement contains the non-financial information deemed to be relevant for the Group, the business model applied and the ways in which Azimut creates and preserves the value generated through its services, in the medium and long term.

The information relating to Azimut Onlus Foundation, an entity not included in the Group's scope of consolidation, constitutes qualitative aspects being useful for understanding the Group's interest in the social context in which it operates.

For the preparation of the Statement, the reporting principles of the "GRI Sustainability Reporting Standards" published in 2021 by the "GRI - Global Reporting Initiative" are taken into consideration with the aim of defining the content and quality of information relating to the Group's non-financial activities. For 2022, the Company's Board of Directors had confirmed the evolution of the reporting option from a 2019 NFS prepared according to the "GRI Referenced" option to a 2020 NFS prepared on the basis of the "in accordance - Core" option and to the NFS 2022 drawn up on the basis of the "in accordance" option.

Both the developments of GRI Standard 3 - Material Topic (impact materiality) and the principle of financial materiality introduced by the Corporate Sustainability Reporting Directive have been added for 2022.

It should also be noted that, in order to improve the materiality analysis required for drafting the DNF 2022, the process of listening to stakeholders was expanded, through the involvement of members of the Board of Directors, the Board of Statutory Auditors and reference partners (outside-in perspective), as well as strategic suppliers (inside-out perspective).

Specifically, an online questionnaire was set up on the Mentimeter platform through which stakeholders were asked to vote on the preliminarily identified impacts.

Pursuant to art. 2381, paragraph 5 of the Civil Code, the Board of Directors of the Parent Company and its supervised subsidiaries evaluated the adequacy of the Issuer's organisational, administrative and accounting structure with particular reference to the internal control and risk management system and the overall management performance.

8.2 Director in charge of the internal control and risk management system.

Taking into account the content of point 7 above and of this point 8 of the overall internal control system, as well as the particular organisation of the Group, in line with last year the Company has not deemed it necessary to identify an executive Director responsible for supervising the functioning of the Internal Control system and not even to entrust the Chief Executive Officer with said task. The foregoing is all the more confirmed by the internal control structure recently adopted by the Company and better represented below, given that – compared to the previous situation – the Company is relieved of the direct control functions already outsourced to it by the Italian operating companies, while maintaining robust information flows, addressed directly to the Control and Risk Committee and the Board of Directors.

8.3 Control and Risk Committee

Composition and functioning of the control and risk committee

The Board of Directors set up an internal Control and Risk Committee, with advisory and propositional functions, consisting of three Independent Directors appointed on 28 April 2022: Anna Maria Bortolotti, Costanza Bonelli and Fiorenza Dalla Rizza. Ms. Bortolotti serves as Chair. The breakdown is unchanged at the date of approval of this Report (**Table 2**).

The members of the Committee have adequate expertise in the business sector in which the Issuer operates, which is necessary to assess the related risks, as well as knowledge and experience in accounting and finance and/or risk management.

The Board of Directors' meeting of 27 November 2015 approved the "Regulation of the Control and Risk Committee", drawn up by the competent functions with regard to best practices in the sector, the indications of the Corporate Governance Code and the most recent rules on the subject, subsequently updated by the Board of Directors on 28 June 2018, 7 February 2019, 27 June 2019, 4 February 2021, 21 December 2021.

The aforesaid Regulation governs the composition and term of office of Committee members, the procedures for convening and conducting meetings and specifies the functions to be performed by the Committee, incorporating them into the wider system of internal controls, and regulating its relations - *inter alia* - with the Internal Audit, Compliance, Anti-Money Laundering and Risk Management functions of the subsidiaries subject to supervision.

Committee meetings are called by the Chair of the Committee; the Chair of the Board of Statutory Auditors or another Statutory Auditor designated by him or her attends; the other Auditors may also attend.

At the Chair's invitation, the meetings were attended by the members of Top Management, the Head of the Legal and Corporate Affairs Department, the Heads of the Control Functions (Compliance, AML, Risk Management, Internal Audit) of the individual subsidiaries, the Director in charge of preparation of the corporate accounting documents, the Head of the IT Department and the Group Head of Legal, as well as any other persons whose presence is deemed useful.

The Chair of the Committee presides over the Committee's meetings and prepares the works; directs, coordinates and moderates the discussion; represents the Committee at meetings of the Board of Directors and in relations with other corporate bodies, and can also sign the reports and opinions to be submitted to the Board of Directors on behalf of the Committee. S/he also guarantees the effectiveness of the debate and ensures that the resolutions passed by the Committee are the result of adequate debate and the informed and reasoned contribution of all its members.

Minutes of each meeting are kept, signed by the Chair of the Committee and the Secretary.

Committee meetings are usually held at least four times a year, and in any case in time to deliberate on the issues on which the Committee must report to the Board of Directors and/or the Board of Statutory Auditors, as required.

During 2022, the Committee met 9 times with an average duration of about two hours for each meeting. 10 meetings have been scheduled for FY 2023, three of which have already been held as at the date of approval of this Report.

The Committee has been provided with an appropriate expense budget in order to allow it to make use of third parties for specific analysis activities.

Functions attributed to the Control and Risk Committee

The Control and Risk Committee represents the point of connection of the periodical information flows from the subsidiaries, both Italian and foreign, and has the task of identifying and assessing the problems and risks of the company's activities.

The Committee shall, among other things:

- support the Board of Directors in the periodic assessment of the adequacy of the internal control and risk management system of each single subsidiary with respect to the characteristics of the business and the risk profile assumed, as well as its effectiveness;
- periodically assess the information coming from the individual subsidiaries, particularly in terms of the most important profiles of the Group's overall internal control and risk management system,

i.e. those that are potentially capable of significantly influencing the risk profile of the entire Azimut Group;

- at the request of the Board of Directors, express opinions on specific aspects concerning the identification of the main corporate risks;
- assess - together with the manager responsible for the preparation of the Company's accounting documents and having consulted the Independent Auditors and the Board of Statutory Auditors - the correct use of accounting standards and their uniformity with regard to the preparation of the consolidated financial statements;
- assesses the suitability of periodic financial and non-financial information to correctly represent the Company's *business* model, strategies, the impact of its activities and the *performance* achieved; examines the content of periodic non-financial information relevant to the internal control and risk management system;
- examines the activity programmes and periodic reports prepared by the Heads of the Control Functions (*Compliance, AML, Risk Management and Internal Audit*) of the individual subsidiaries subject to supervision before they are submitted to the Board of Directors and reports the essential aspects to the Board; it also examines the reports prepared promptly by the Head of the *Internal Audit* function of each individual subsidiary on particularly important events;
- verify that the corporate control functions correctly comply with the indications and general guidelines defined; meet, at its discretion, with the Heads of the Control Functions of the individual subsidiaries, also in order to assess the coordination of the activities of the various control functions;
- may request the *Compliance, AML, Risk Management and Internal Audit* departments of individual subsidiaries (depending on their specific competences) to carry out *follow-up* audits on specific operational areas if their audits reveal risk profiles for the Group.

The Control and Risk Committee reports on the activities carried out and on the adequacy of the internal control systems of the individual subsidiaries, as well as on the main risk profiles of the internal control system to the Board of Directors at Board meetings at least every six months, making any proposals for improvement.

This Committee is also responsible for related party transactions, in compliance with the provisions contained in the Regulation on related party transactions approved by Consob with Resolution no. 17221 of 12 March 2010, and in accordance with the provisions of the Procedure for Related Party Transactions. More specifically, with regard to immaterial transactions, it is called upon to express a non-binding and reasoned opinion on the interest of the Company in carrying out said transactions, as well as on the substantial cost-effectiveness and fairness of the related conditions; with regard to material transactions (i) it is involved in the negotiation and assessment phases of the transaction and has the power to request information and/or make remarks to the subjects taking part in the said phases, (ii) according to the terms, methods and time limits set out in the said Procedure, it expresses a binding and reasoned opinion on the interest of the Company in carrying out the transaction, as well as on the substantial cost-effectiveness and fairness of its conditions.

The Committee, in its capacity as the Related Parties Committee, met 3 times in the financial year 2022. At least 2 meetings are scheduled for 2023, one of which has already been held as at the date of approval of this Report.

During the financial year 2022, the Committee carried out its advisory and assistance tasks to the Board of Directors and its verification of the internal control and risk management system by means of supervision and constant cooperation with the contact persons of the functions supporting the controls, as well as by regularly exchanging information with the manager in charge of drafting the corporate accounting documents and, if necessary, by sharing it with the heads of the Control Functions of the Group companies, and other subjects whose presence is deemed useful.

The activities implemented concerned:

- analysis of the Internal Audit Control Plan for 2022 and the plan for audits for the three-year period 2022-2024;
- analysis of Internal Audit reports on individual jobs;
- monitoring the implementation of actions to improve the internal control system following internal audit work;
- analysis of the results of the annual risk review and updating of the reports received from the subsidiaries on risk management;
- analysis of compliance activities with regard to pertaining regulations and anti-money laundering provisions with reference to the subsidiaries belonging to the Group;
- examination of the Report on corporate governance and ownership structure for the financial year 2021;
- continuous monitoring of compliance with Market Abuse Regulation, Inside Information and Internal Dealing;
- analysis of the Consolidated Non-Financial Statement as at 31 December 2021;
- updating on activities related to the management of non-financial information
- preliminary evaluation of the Company's regulations, to the extent under its purview.

The Committee also had a continuous exchange of information with the Supervisory Board, the Board of Statutory Auditors, the independent auditors, the Manager in charge for the purposes of Law 262/2005, the Group Head of Legal, the Sustainability Committee, the Remuneration Committee and the Group IT Manager.

In carrying out its duties, the Committee has the right to access (and had access during the year) to the information and company departments necessary to perform the tasks assigned to it, including the possibility to talk directly with the Heads of the Control Functions of the individual Group companies, if necessary.

Furthermore, it should be noted that, pursuant to Italian Legislative Decree no. 39 of 27/01/2010, in the Company the Internal Control Committee and the audit referred to in art. 19 of the aforesaid decree is

identified with the Board of Statutory Auditors and has the task of supervising i) the financial reporting process; ii) the effectiveness of the internal control, internal audit and risk management systems; iii) the statutory audit of the annual and consolidated financial statements; iv) the independence of the statutory auditor or the independent auditor, in particular with regard to the provision of non-audit services to the Company.

8.4 Head of the Internal Audit Function

The Issuer is supported by the internal audit function of Azimut Capital Management SGR S.p.A. on the basis of a specific service agreement. This function is supported by the Team from ConsiliaRegulatory S.r.l. to carry out its activities.

The internal audit support activity is aimed, on the one hand, at verifying the regular progress of operations and, on the other, at assessing the completeness, adequacy, functionality and reliability of the Issuer's organisational structure and internal control system. On the basis of the results of the controls carried out, recommendations are made to the corporate bodies where appropriate.

The activity is carried out in accordance with the audit plan, which is prepared on the basis of the analysis of business processes and risks and is proposed annually to the Control and Risk Committee, which in turn is responsible for submitting it to the Issuer's Board of Directors.

The Control and Risk Committee periodically reports to the Board of Directors on the results of the controls carried out based on the audit plan approved by the Issuer, in order to keep the company bodies constantly updated on the activities carried out and the results that emerge.

8.5 Organisational model pursuant to Italian Legislative Decree 231/2001

In order to comply with the provisions of Italian Legislative Decree no. 231/01, the Company and the strategically important subsidiaries have adopted an organisational, management and control model aimed at preventing those crimes whose commission by employees, collaborators or directors of the Company entails the administrative liability of the same in accordance with the aforementioned decree, last updated by resolution of the Board of Directors on 11 March 2021.

In this context, a Code of Ethics has also been adopted. It can be consulted on the company's website www.azimut-group.com - *Group section*.

The Company's Supervisory Body currently consists of the Chair of the Board of Statutory Auditors of the Company, an Independent Director, the heads of the Internal Audit and Compliance functions of Azimut Capital Management SGR S.p.A.

This body shall have an appropriate expense budget and an expenditure provision to ensure the proper and independent performance of its tasks.

During the financial year 2021, Azimut Holding further integrated its internal regulatory framework to monitor the risks underlying the phenomenon of corruption, by issuing specific guidelines applicable to the Parent Company and all subsidiaries belonging to the Azimut Group: the "Group Anti-Corruption Guidelines".

With the adoption of these Guidelines, the following are therefore further strengthened:

- the concepts already stated in the Code of Ethics where the Group explicitly condemns all corruption, extortion, undue induction to give or promise benefits, with the adoption of the "General Principle of Zero Tolerance" where it is stated that the Azimut Group "will not tolerate any conduct involving the offer or acceptance of money or other benefits - directly or indirectly - with the aim of inducing or rewarding the performance of a function/activity or the omission thereof for unlawful purposes...", inviting Group personnel to refrain from offering or accepting undue payments, as well as gifts, forms of entertainment or other undue benefits;
- the provisions contained in the Organisational, Management and Control Model pursuant to Legislative Decree no. 231/2001, which has long been adopted by the Azimut Group, with the implementation of further organisational and control measures aimed at avoiding or strongly mitigating the risks associated with corrupt practices, such as the reputational risk.

To complete the internal regulatory framework to protect against corruption risks, in addition to the Guidelines and in coordination with the other internal regulatory references in force (Model 231, Code of Ethics, etc.), further specific areas of intervention must be defined for each Group company, in accordance with the principle of proportionality and taking into account the context of the organisation, through the preparation of a specific Anti-Corruption Plan with the aim of: i) identifying, analysing and assessing the corruption risk for each cluster; ii) defining measures and controls to mitigate the risks, and iii) defining a Plan of activities and monitoring.

In this context, Azimut Holding activated, with the support of Deloitte Risk Advisory S.r.l., an intervention focused on three areas, within the overall "Anti-Corruption & Corporate Liability Framework":

- Risk Assessment,
- Operational controls,
- Monitoring Plan.

The aforementioned activities and reference documentation are being prepared in relation to the following entities/areas in which, in addition to the Parent Company, benchmark companies have been identified:

- Cluster Asset Management,
- Cluster Distribution,
- Asset Life Insurance,
- Cluster Private Matters.

With reference to the Parent Company, during 2022, the main corporate processes, as well as the underlying sensitive activities, were identified and analysed in order to assess their exposure to corruption risk, taking into consideration qualitative and quantitative data such as: the probability of occurrence, the potential reputational impact and the effectiveness of the control measures currently in place. The inherent risk was then calculated and, in order to mitigate the effects of the identified risks,

certain control measures (e.g. procedures, principles of conduct, etc.) were suggested, adopted or are being adopted by the Company.

8.6 Auditing firm

Following the expiry of the mandate of PricewaterhouseCoopers S.p.A., together with the approval of the annual financial statements as at 31 December 2021, the Shareholders' Meeting of 28 April 2022 resolved to appoint E&Y S.p.A. as independent auditor for the 2022-2030 period, pursuant to Italian Legislative Decree 39/2010.

8.7 Manager in charge of preparing the Company's financial reports and other corporate roles and functions

The Board of Directors' meeting held on 24 May 2016, subject to the favourable opinion of the Board of Statutory Auditors, appointed Alessandro Zambotti, CEO and Chief Financial Officer of the Issuer, as Manager in charge of preparing the Company's financial reports, granting him all organisational and management powers necessary to carry out the tasks assigned by current legislation and the Articles of Association.

Article 29-*bis* of the Articles of Association provides that the manager in charge of preparing the company's financial reports must meet the professional requirements of article 13 of Italian Legislative Decree no. 58/98.

On 8 March 2018, the Issuer's Board of Directors approved the *policy* for corporate and group financial reporting, which represents the organisational and methodological *framework* of the model for corporate and Group financial reporting that (i) defines the requirements for the Manager in charge of preparing the company's financial reports pursuant to Italian Act 262/2005; (ii) defines the role, main tasks and responsibilities of the Manager in Charge, as well as his/her relations with the organisational units involved in the risk management process; (iii) identifies the tasks performed by the Manager in Charge, in relation to coordination activities, for all the companies of the Azimut Group.

On 5 March 2020, the Board of Directors approved an update of the above policy.

8.8 Coordination between the parties involved in the internal control and risk management system.

Coordination between the parties involved in the internal control system takes place constantly and formally during the meetings of the Control and Risk Committee, to which the relevant corporate control functions are invited from time to time and which are also attended by the Chair of the Board of Statutory Auditors.

9. DIRECTORS' INTERESTS AND RELATED PARTY TRANSACTIONS

At its meeting of 17 June 2021, the Company's Board of Directors, with the favourable opinion of the Control and Risk Committee also acting as Related Parties' Committee, resolved on a new Procedure for

the management of transactions with related parties, in order to incorporate the latest regulatory changes in this area.

In particular, Italian Legislative Decree No. 49 of 10 May 2019 transposed into Italian law the Directive (EU) 2017/828 (SHRD II), aimed at improving the governance of listed companies by allowing a greater and more conscious involvement of shareholders in corporate governance, in the medium and long term, and facilitating the exercise of their rights. In implementation of the provisions of article 9-*quater* of the SHRD II, article 2391-*bis* of the Civil Code, among others, has been amended, introducing a new third paragraph which specifies the contents to be regulated by Consob's secondary regulations. In this regard, by means of resolution no. 21624 of 10 December 2020, Consob has updated the Related Parties Transactions Regulations bringing them in line with the provisions of the SHRD II Directive.

The current Procedure is therefore aimed at regulating, in accordance with the provisions of art. 2391-*bis* of the Civil Code, as well as the Consob Regulation as amended, related party transactions carried out directly by the Company or through its subsidiaries, in order to ensure the transparency and substantial and procedural fairness of such transactions.

The procedure defines the procedures for identifying related parties, the criteria for assessing transactions and the procedure for managing such transactions, regulating the approval *process* for transactions whose resolution is the responsibility of the Board of Directors, the Shareholders' Meeting or other parties. In any case, the involvement and acquisition of the opinion of the Related Parties' Committee is envisaged.

The Related Parties' Committee is identified in the Control and Risk Committee, whose powers and functioning are described in paragraph 8.3 above.

The full text of the "*Procedure for Transactions with Related Parties*" can be consulted on the website www.azimut-group.com - *Group section*.

In situations in which the Directors have an interest, even potential or indirect, in the transaction:

- a) they inform the Board promptly and fully of the existence of the interest and the circumstances thereof;
- b) they leave the meeting at the time of the resolution or abstain from voting if the situation shows a substantial risk of altering the voting of the Board of Directors and/or if this is deemed appropriate by the Board of Directors.

10. BOARD OF STATUTORY AUDITORS

10.1 Appointment and replacement

The Board of Statutory Auditors is made on the basis of lists submitted by shareholders in which nominees are identified by a progressive number and are in any case not exceeding the number of

members to be elected.

Minorities are entitled to appoint a Standing Auditor and an Alternate one.

With a Board resolution dated 10 March 2011, article 28 of the Articles of Association was changed according to the mandatory adjustments resulting from the entry into force of the Italian Legislative Decree 27 January 2010 no. 27 implementing Directive 2007/36/EC on the exercise of certain rights of shareholders in listed companies, known as the "*Shareholder's Rights*" directive; furthermore, with a resolution of the Shareholders' Meeting of 26 April 2012, criteria for the composition of lists were introduced into the Articles of Association that require compliance with the gender balance pursuant to Article 148, paragraph 1-*bis* of the TUF.

The lists consist of two sections: one for nominees for the position of Standing Auditor, the other for nominees for the position of Alternate Auditor.

The lists shall be presented only by those shareholders who, alone or together with others, hold shares carrying voting rights representing at least one fortieth of the share capital or, if lower, the other percentage specified in article 144 *quater* of the CONSOB Issuers' Regulation and published by CONSOB under article 144 *septies* of the same Regulation.

The ownership of the minimum shareholding for the submission of lists is determined with regard to the shares registered on behalf of the shareholder the day on which the lists are filed with the Company.

The respective certification may be produced after the submission, provided that it is within the deadline for the publication of the lists by the Company.

Each shareholder or shareholders belonging to the same group and that agree to a shareholders' agreement relating to the Issuer's shares, may not submit, neither through a third party nor trust company, more than one list, nor may they vote for different lists.

Each nominee may appear on only one list on penalty of ineligibility.

Nominees who already hold office as Auditor in other five listed companies, excluding subsidiaries, and are not satisfying the requirements of integrity and professionalism established by applicable legislation, cannot be included in the lists and, if elected, shall forfeit their office.

Furthermore, those who are in the conditions laid down in articles 148, third paragraph, of Italian Legislative Decree No. 58/98 and 144-*terdecies* of CONSOB Regulation No. 11971 cannot be elected as Auditors and, if elected, shall be debarred from their office.

Within the deadline prescribed by law and regulations in force the lists must be filed at the registered office of the Company and the Company must make them available to the public at the registered office, on their website and in any other manner required by law and regulations in force.

The lists are accompanied by:

- information relating to the identity of the shareholders who submitted the lists, with an indication of the percentage of the total stake held;
- a declaration by shareholders other than those who hold, even jointly, a controlling or relative majority shareholding, certifying the absence of any connection with the latter, as provided for in article 144-*quinquies* of CONSOB Regulation no. 11971/99;
- exhaustive information regarding the personal and professional characteristics of each candidate

for the office;

- declarations by which the individual candidates accept their candidature and certify, under their own responsibility, that there are no grounds for ineligibility and incompatibility, and that they meet the requirements for the respective offices under prevailing regulations and the Articles of Association.

Statutory auditors are appointed as follows:

- two standing members and one alternate are elected from the list that has obtained the highest number of votes in the Meeting, based on the sequential order in which they appear in the list;
- based on the sequential order in which they appear in the list, the remaining standing member, who also assumes the position of Chair of the Board of Auditors, and the other alternate member are elected from the second list that has obtained the highest number of votes in the Meeting.

If the two standing members elected from the list that received the most votes are of the same gender the remaining statutory auditor must be of a different one.

If the first two lists obtain an equal number of votes, there will be a new vote by the Meeting, voting only the first two lists.

If one list only is presented, the Meeting shall vote by the majorities required by law and three standing members and two alternate members are elected in the numerical order in which they are listed in the two sections of the list.

In the absence of lists and in case through the voting mechanism by list the number of elected nominees is less than three standing auditors and two alternate auditors, the members of the Board of Statutory auditors are, respectively, appointed or supplemented by the meeting according to majorities required by law.

If the Shareholders' Meeting is called to reintegrate the Board of Statutory Auditors under the law, the following will happen:

- if the auditor left his/her office for any reason, taken from the second list that obtained the highest number of votes, the Meeting shall provide with the substitution by a majority vote choosing his/her replacement from among the nominees on the same list and section and who have preliminarily accepted the replacement;
- if an auditor has left his/her office for any reason, taken from the first list that obtained the highest number of votes or the only presented list, the appointment of a substitute is made freely with the statutory majority.

The Statutory Auditors act with autonomy and independence also towards the shareholders who elected them.

Statutory Auditors are required to maintain the confidentiality of documents and information acquired in the performance of their duties and to comply with the procedure adopted for the communication of

such documents and information outside of the Company.

The Board of Statutory Auditors performs within the Company the function referred to in art. 2403 of the Italian Civil Code in complete autonomy and independence and implements a constant exchange of information with the bodies and functions that within the Company carry out significant internal control tasks.

10.2 Composition and Operation

The Board of Statutory Auditors was appointed by the Shareholders' Meeting held on 28 April 2022. Two lists were presented on this occasion:

- (i) the list submitted by Shareholder Timone Fiduciaria S.r.l., which held 23.1788% of the share capital, indicated Marco Lori, Maria Catalano and Vittorio Rocchetti as candidates for the office of Standing Auditor and Francesca Asquasciati and Federico Strada as candidates for the office of Alternate Auditor;
- (ii) the list submitted by Shareholders Aberdeen Standard Sicav II - European Smaller Companies Fund - Aberdeen Standard Investment Luxembourg S.A.; Anima Sgr S.p.A. fund manager: Anima Crescita Italia, Anima Iniziativa Italia, Anima Pro Italia; BancoPosta Fondi S.p.A. SGR fund manager of the Bancoposta Rinascimento fund; Eurizon Capital S.A. fund manager of the Eurizon Fund, sub-fund Eurizon Fund - Equity Europe LTE; Eurizon Capital Sgr S.p.A. fund manager: Eurizon Am Mito 50 (Multiasset Italian Opportunities 50), Eurizon Progetto Italia 70, Eurizon Azioni Italia, Eurizon Pir Italia Azioni, Eurizon Progetto Italia 40; Kairos Partners Sgr S.p.A. as Management Company of Kairos International Sicav – Sub-funds: Italia, Italia Pir, Patriot; Mediobanca SGR S.p.A., manager of the Mediobanca Mid & Small Cap Italy fund, with a total shareholding of 1.52211% of the share capital, indicated Stefano Fiorini as candidate for the office of Standing Auditor and Chiara Segala as candidate for the office of Alternate Auditor.

The second of the aforementioned lists obtained the favourable vote of the majority of voters, representing approximately 50.12% of the shares admitted to the vote.

The list submitted by Timone Fiduciaria S.r.l. obtained the favourable vote of about 47.59% of the shares admitted to the vote.

As a result of the vote, the Standing Auditors Stefano Fiorini and Marco Lori and the Alternate Auditors Chiara Segala and Francesca Asquasciati were elected by list vote. Pursuant to the aforementioned provisions of the Articles of Association, Marco Lori was also appointed Chair of the Board of Statutory Auditors.

Since the composition of the body was not completed with the aforementioned vote, Timone Fiduciaria S.r.l.'s proposal to integrate the Board of Statutory Auditors was subsequently put to the vote,

appointing Maria Catalano as Standing Auditor, being the first non-elected member of the list presented by the same Shareholder. This proposal was approved by a majority, with 95.41% of the shares eligible to vote voting in favour.

The following members of the Board of Statutory Auditors were therefore appointed for the financial years 2022, 2023 and 2024, and thus until the approval of the financial statements as at 31 December 2024:

Marco LORI	Chair of the Board of Statutory Auditors
Stefano FIORINI	Standing Auditor
Maria CATALANO	Standing Auditor
Chiara SEGALA	Alternate Auditor
Francesca ASQUASCIATI	Alternate Auditor

The assessment of whether the members of the Board of Statutory Auditors met the independence requirements was made directly by the Shareholders' Meeting at the time of their appointment on the basis of the documentation submitted and at the meeting of the Board of Directors held on 27 May 2022.

The outcome of the assessment carried out by the Board of Directors, which ascertained that the Standing and Alternate Auditors meet the independence requirements, was disclosed by means of a press release to the market at the end of the meeting, pursuant to Article 144-*novies*, paragraph 1-*bis* of the Consob Issuers' Regulation.

Before proceeding to ascertain the independence requirement pursuant to Article 148 of the Consolidated Law on Finance and the Corporate Governance Code for Directors who have declared to be independent and for Statutory Auditors, the Board of Directors established the criteria for assessing the significance of any commercial, financial and professional relations existing between the person and the Company, in accordance with the provisions of Recommendation 7 of the Code, referred to in point 4.6.

During the financial years following the appointment, the Board of Directors normally carries out further assessments regarding the existence of the independence requirements for the members of the Board of Statutory Auditors, not only in cases of new appointment or renewal of office, but also in the event of significant changes in the requirements communicated by the members of the Board of Statutory Auditors themselves or ascertained in other ways directly by the Issuer.

This procedure is considered suitable to ensure the exercise of effective control over the maintenance of independence requirements and in line with the Code's application criterion, according to which the assessment must be carried out with regard more to the substance than to the form.

The Chair of the Board of Directors ensures that the members of the Board of Statutory Auditors

participate in induction initiatives aimed at providing them with adequate knowledge of the sector in which the Company operates, the business dynamics and their evolution, as well as the principles of proper risk management and the reference legal and regulatory framework.

Statutory Auditors are also involved in training programmes dedicated to Azimut Group employees and consultants from time to time.

The Statutory Auditors' remuneration is commensurate with the commitment required by the importance of the role held and the size and industry characteristics of the Company.

In carrying out its activities, the Board of Statutory Auditors coordinated its activities with the Control and Risk Committee and the internal audit support function, through participation in the Committee itself as well as in individual coordination meetings.

From the closing date of the financial year (31 December 2022) to the date of approval of this report (9 March 2023) no change has occurred in the composition of the Board of Statutory Auditors.

Table 3 attached to this Report details the structure of the Board of Statutory Auditors. With regard to the personal and professional characteristics of each member of the Board of Statutory Auditors, please refer to the documentation published on the company's website www.azimut-group.com section "*Group - Governance - Governing Bodies*".

The composition of the Issuer's Board of Statutory Auditors takes into account the importance of a balanced gender representation, as well as the benefits resulting from the presence of different age groups and seniority in office. At least one third of the statutory and alternate members of the Board of Statutory Auditors shall be auditors of the least represented gender, in accordance with the regulations in force at the time of appointment. With reference to the diversity policies, reference should be made to the provisions of the Non-Financial Report, as well as to the "ESG" documents available on the Group's website (www.azimut-group.com).

During 2022, the Board of Statutory Auditors met 23 times with an average duration of about 3 hours for each meeting.

Since 28 April 2022, the new Board of Statutory Auditors, in addition to the 12 meetings held to discharge its periodic auditing activities, also met 11 times to prepare opinions in the capacity of Committee for Internal Control and Audit (CCIRC), which were recoded in conjunction with routine activities.

A minimum of 12 meetings will be held in 2023, 2 of which have already been held as of the date of approval of this Report, in addition to those necessary to prepare opinions that are required by law or as a CCIRC.

11. RELATIONSHIPS WITH SHAREHOLDERS

The Chair and the Chief Executive Officers, in compliance with the procedure on the communication of

documents and information concerning the Company, actively strive to establish a dialogue with shareholders, as well as with institutional investors, based on an understanding of each other's roles.

Regular meetings were therefore promoted with the financial community and the press both in Italy and abroad.

The Company has appointed Mr. Vittorio Pracca as the person responsible for relations with institutional investors that represents the interface with the various stakeholders of the Company. Mr. Pracca was joined by Mr. Alex Soppera, as Co-Investor Relator, by resolution of the Board of Directors of 14 January 2022. The latter later became Investor Relator.

The disclosure is reinforced by the Company's website www.azimut-group.com which is constantly updated with the Group's press releases, the calendar of corporate events, economic and financial information (financial statements and periodical reports, ownership structure) and all other useful information. Press releases, presentations and financial documents are also available in English.

The site contains a section expressly dedicated to the corporate governance of the company, in which any interested party may view information relating to the corporate governance model, together with information and documents concerning the corporate bodies and the Articles of Association.

In the contact section of the website, telephone references are specified and an e-mail address is available for any requests for information or documentation.

Directors shall encourage and facilitate the widest possible participation of shareholders in shareholders' meetings. As a rule, the majority of directors participate in the shareholders' meetings. Shareholders' Meetings are also an opportunity to communicate information about the company to shareholders, in compliance with the rules on price-sensitive information.

On 21 December 2021, the Board of Directors adopted a *Policy* dedicated to dialogue with shareholders, with the aim of facilitating the establishment and maintenance of a constant and ongoing relationship with institutional investors, asset managers and shareholders, through fair, transparent and differentiated forms of *engagement*, which can help ensure a better understanding of each other's prospects and raise the level of governance of the Company, with a view to fostering value creation in the medium to long term. The Policy was drawn up in compliance with the recommendations expressed by the Code for Corporate Governance and can be found on the Company website www.azimut-group.com. It is aimed at promoting, in the most appropriate forms, dialogue with shareholders and other stakeholders that are material for the Company, also taking into account the best practices on the matter and the engagement policies adopted by institutional investors and asset managers.

It identifies the subjects involved and their respective responsibilities, and governs the activities ordinarily managed by the competent corporate functions (e.g. maintenance of the website, management of direct communication channels for retail shareholders, institutional investors, asset managers, voting consultants, analysts and other market operators, organisation of meetings and *roadshows*) and concerning direct dialogue with the members of the Board of Directors (so-called *Shareholder-Director Engagement*). In this regard, it should be noted that dialogue with the Board of Directors of the Company may also be initiated at the initiative of the shareholders if, taking into account the information published on the Company Website and/or the additional information provided by the Company through other channels, they deem that they want to activate forms of dialogue that

require the direct involvement of one or more members of the administrative body.

The Policy contains the methods of interaction with the shareholders during the Shareholders' Meeting, which represents the institutional moment of discussion between them and the Board of Directors.

In the course of 2022, consistent with the Shareholder Dialogue Policy, 21 roadshows and conferences in the presence of Shareholders were organised, also via videoconference, in the main European and US financial centres, meeting over 125 institutional investors. During these meetings, the most frequently discussed topics of interest were the key factors of the business model, net inflows and total assets, financial results, recent developments, relations with customers and financial advisors, the strategic development of the Group's growth plans in Italy and abroad as well as in the various business sectors, human resources aspects, guidance provided to the market and other relevant aspects of the Company. In addition, some thirty conference calls were held during the year, both with existing and potential shareholders. Finally, the Investor Relations Department holds regular talks on a quarterly basis with all sell-side analysts to discuss their estimates, market trends and recent developments in the Company and the Group.

In its activities, the Group interacts with a number of internal and external stakeholders who follow specific reporting lines. The dialogue with stakeholders is particularly shrewd, as the services offered (such as asset management) are on the one hand intangible and on the other hand of fundamental importance to customers and the community.

Based on an assessment regarding the importance of each type of stakeholder for the Group's business and based on a judgement derived from experience regarding the duration and stability of the relationship, the following main stakeholders were identified:

- customers, assisted on an ongoing basis by financial advisors, authorised to offer their products outside their offices, on the basis of a personalised advisory relationship; they are also able to access their investment data directly via the web and assess over time the characteristics of the products purchased, the returns obtained and the market risk to which they are exposed;
- financial advisors, who are constantly trained and updated through, *inter alia*, an internal portal dedicated to them and a daily direct email, a company TV broadcasting interviews and communications on the world of investments, and a series of periodic comparisons;
- employees, whose involvement is also achieved through the company Intranet reserved for them, the transmission of information relating to employee benefits and Group companies, the possibility of accessing a daily press review and the sending of e-mails reporting financial press releases and the most relevant communications;
- financial community/shareholders, in whose favour 49 press releases were issued in the course of 2022 concerning, among other things, monthly funding trends, Group news, periodic financial reports; more than 180 in-person meetings and conference calls were also held with institutional shareholders, analysts and potential investors as part of roadshows and equity conferences;
- community, whose interaction is developed first and foremost through the organisation of meetings,

generally of an educational and informative nature on issues relating to financial markets, savings, investments and through support for social, cultural and sporting initiatives, including through the Azimut Foundation, although clearly distinct from the Group's business aspects.

Other stakeholders, albeit important, such as suppliers and outsourcers, have not been included in the list of stakeholders as they are selected from time to time on the basis of the needs of the moment as well as specific procedures and their activities are regulated and monitored according to specific contractual agreements.

As mentioned in section 8.1 above, as part of the definition of the materiality matrix functional to the preparation of the Non-Financial Statement, an online questionnaire was prepared on the Mentimeter platform through which the stakeholders involved were asked to vote on the impacts preliminarily identified.

Please refer to the Non-Financial Statement for more details.

The Company's current practice complies with the provisions of the Code.

The Board of Directors may propose to the shareholders' meeting the approval of a set of rules governing the orderly and effective conduct of the company's ordinary and extraordinary shareholders' meetings, guaranteeing the right of each shareholder to speak on the matters under discussion.

The Company has not adopted any meeting regulations at the moment.

Art. 17 of the Statute provides that the Ordinary and Extraordinary Shareholders' Meetings are validly constituted and deliberate with the majorities provided for by law.

Although the Company has decided not to adopt a specific set of rules for shareholders' meetings, during the course of the meetings it adopts technical procedures for managing the work of the meetings and conducting the votes which, during the periodic meetings, are illustrated to the shareholders in detail from time to time, in order to allow the orderly and functional conduct of the meeting, without prejudice to the right of each shareholder to express their opinion on the matters under discussion.

12. MEETINGS

Pursuant to Article 10 of the Articles of Association, the Shareholders' Meeting represents all shareholders and its resolutions, taken in accordance with the law and the Articles of Association, are binding on and binding on all shareholders, even if absent, abstaining or dissenting.

The Meeting is ordinary or extraordinary according to the law.

It may also be convened outside the registered office within Italy or in one of the member countries of the European Union.

The Meeting must be called by the administrative body at least annually, within one hundred twenty days after the close of the fiscal year or within one hundred and eighty days, in accordance with the conditions laid down in article 2364, second paragraph, of the Italian civil code.

Each share entitles to one vote.

Calling of meetings are made under the law with the publication of the notice containing the agenda on the website of the Company and according to the other methods provided by the law and regulations in force.

The notice contains the date, time and place of the meeting, as well as the list of matters to be discussed and any other information required by the law and regulations in force.

The Meeting is constituted, operates and can pass resolutions in accordance with law. The meeting may be attended by those who are entitled to vote under the laws and regulations in force.

Every shareholder who is entitled to attend the Meeting may be represented through a written proxy by another person in accordance with article 2372 of the Italian Civil Code.

The Chair of the Meeting shall verify the validity of proxies and, in general, the right to attend the meeting.

The Meeting is chaired by the Chair of the Board of Directors in the event of his absence or disability, by the Vice Chair persons, if appointed, in order of seniority or in the event of their absence or incapacity, by the directors, in order of seniority, or, in the event of their absence or incapacity, by another person appointed by the Meeting with the majority of those present.

The Chair is assisted by a secretary who does not need to be a shareholder, appointed by the same Chair and appointed by the Meeting by the majority of those present.

The resolutions of the meetings are documented in the minutes signed by the Chair and Secretary.

When required by law and when the Chair of the Meeting deems it appropriate, the minutes shall be drawn up by a Notary.

The Meeting, both ordinary and extraordinary, is validly constituted and resolves with the majorities required by law.

13. FURTHER CORPORATE GOVERNANCE PRACTICES

As described in points 8.1 and 8.3 above, the Issuer relies on a Control and Risk Committee currently made up of three Independent Directors. The Board of Statutory Auditors, the Heads of the company departments affected by the matters on the agenda from time to time are invited to attend the meetings of the Control and Risk Committee.

The Control and Risk Committee, which meets periodically, collaborates with the Internal Audit Manager, the Compliance Officer and the Risk Manager, of the Group companies in identifying, planning and updating the internal controls and the organisational procedures, identifying and assessing risks and any inefficiencies resulting from the performance of delegated activities, and playing an active role in identifying any necessary interventions in order to assure an adequate and continuous functionality of the structures.

To this end, this Committee also makes use of the findings of the Audit Managers, Risk Managers and Compliance Officers of Group companies.

Moreover, as already indicated in point 8.5 of this Report, it should be noted that the Company's Supervisory Body currently consists of the Chair of the Board of Statutory Auditors, the heads of the Internal Audit and Compliance functions of Azimut Capital Management SGR, as well as an Independent Director. The Body is responsible for supervising the functioning, effectiveness of and compliance with the organisational and management model adopted by this Company to prevent the offences referred to in Italian Legislative Decree no. 231 of 8 June 2001.

As set out in point 6 above, the Company has set up a Sustainability Committee made up of corporate

representatives of the Azimut Group and dedicated to overseeing sustainability issues related to the company's operations and its dynamics of interaction with all *stakeholders*.

This Committee not only performs an exclusively evaluative and consultative function in favour of the Board of Directors, but also has a proactive and investigative role, helping to ensure better monitoring of ESG risks.

Lastly, it should be noted, as reported in paragraph 8.5, that in 2021 the Company further integrated its internal regulatory *framework* to monitor the risks underlying the phenomenon of corruption by issuing Guidelines applicable to the Parent Company and all subsidiaries. The regulatory provisions will be completed with the adoption of a specific Anti-Corruption Plan, which is currently being drafted.

14. CHANGES SINCE THE END OF THE REPORTING PERIOD

As of the end of the financial year, there have been no changes in the corporate governance structure other than those already reported in the specific sections of this report.

15. COMMENTS ON THE LETTER FROM THE CHAIRMAN OF THE CORPORATE GOVERNANCE COMMITTEE

The recommendations made in the letter sent by the Chair of the Corporate Governance Committee on 25 January 2023 were brought to the attention of the Board of Directors on 9 March 2023, which confirmed that they have already been implemented.

In particular, as reported above:

- in December 2021, the Company adopted a shareholder dialogue policy aimed at promoting dialogue with shareholders and other relevant stakeholders in the most appropriate forms, and which also provides for the possibility of dialogue to be initiated at the initiative of investors; the most relevant issues discussed with shareholders were reported to the Board of Directors (point 11);
- during the process aimed at drafting the Non-Financial Disclosure relating to 2022, the stakeholder listening process was expanded; initiatives aimed at their involvement were also adopted (points 8.1 and 11);
- the Board of Directors has long since chosen to grant the Chair sole powers of representation of the Company (point 4.5).
- the Board of Directors has laid down in its Regulation the procedures for the management of information before any Board meeting, in order to ensure timeliness, correctness and confidentiality (point 4.4);
- the Company's managers, if they do not also hold the office of Director, have been invited to attend Board meetings to present the topics of their respective competences, as provided for in the aforementioned Regulation on the functioning of the Board of Directors (point 4.4)
- on the occasion of the Shareholders' Meeting of 28 April 2022, also called to appoint the Board of Directors, the outgoing Board proposed to increase the maximum number of members of the administrative body from 15 to 18, in light of the increase in the Group's business and its

complexity, as well as with a view to diversifying and broadening the competences and the presence of independent directors. In the report addressed to the Shareholders concerning the renewal of the Board of Directors, published 40 days before the Shareholders' Meeting pursuant to Article 125-*ter* of the Consolidated Law on Finance and 84-*ter* of the Issuers' Regulations, the outgoing Board also expressed its orientation on its optimal composition (point 4.4);

- before proceeding to ascertain the independence requirement pursuant to Article 148 of the Consolidated Law on Finance and the Corporate Governance Code for Directors who have declared to be independent and for Statutory Auditors, the Board of Directors established the criteria for assessing the significance of any commercial, financial and professional relations existing between the person and the Company, in accordance with the provisions of Recommendation 7 of the Code (point 4.6);
- the Remuneration Policy provides for a long-term incentive plan intended for the Executive Directors, and identifies specific objectives related to environmental, social and governance (ESG) issues assigned as part of the identification of annual performance (point 7.1).

* * *

TABLE 1: STRUCTURE OF THE BOARD OF DIRECTORS AT THE END OF THE FINANCIAL YEAR

BOARD OF DIRECTORS												
Position	Components	Year of birth	Date of first appointment	In office since	In office until	List (M/m) ² **	Executive	Non-executive	Ind. Code	Indep. TUF	No. of other positions *** FY 2022	Equity investment ****
Chair	Pietro GIULIANI	1956	06/07/2004 ¹	28/04/2022	Approval of financial statements at 31/12/2024	M		X			0	10/10
Chief Executive Officer	Gabriele BLEI	1980	18/12/2018	28/04/2022	Approval of financial statements at 31/12/2024	M	X				41	10/10
Chief Executive Officer	Massimo GUIATI	1972	24/04/2019	28/04/2022	Approval of financial statements at 31/12/2024	M	X				53	10/10
Chief Executive Officer	Paolo MARTINI	1973	24/04/2014	28/04/2022	Approval of financial statements at 31/12/2024	M	X				8	10/10
Chief Executive Officer	Giorgio MEDDA	1975	24/04/2019	28/04/2022	Approval of financial statements at 31/12/2024	M	X				18	10/10
Chief Executive Officer	Alessandro ZAMBOTTI	1982	13/04/2017	28/04/2022	Approval of financial statements at 31/12/2024	M	X				18	10/10
Board Member	Costanza BONELLI	1968	28/04/2022	28/04/2022	Approval of financial statements at 31/12/2024	M		X	x	x	5	7/7
Board Member	Anna Maria BORTOLOTTI	1958	28/04/2016	28/04/2022	Approval of financial statements at 31/12/2024	M		X	X	X	21	9/10
Board Member	Nicola COLAVITO	1978	24/04/2019	28/04/2022	Approval of financial statements at 31/12/2024	M		X	X	X	11	8/10
Board Member	Fiorenza DALLA RIZZA	1961	28/04/2022	28/04/2022	Approval of financial statements at 31/12/2024	M		X	X	X	8	7/7
Board Member	Marcello FOA	1963	28/04/2022	28/04/2022	Approval of financial statements at 31/12/2024	M		X	X	X	1	7/7
Board Member	Marco GALBIATI	1972	28/04/2022	28/04/2022	Approval of financial statements at 31/12/2024	M		X	X	X	9	6/7
Board Member	Silvia PRIORI	1960	28/04/2022	28/04/2022	Approval of financial statements at 31/12/2024	M		X	X	X	0	6/7
Board Member	Vittoria SCANDROGLIO	1960	28/04/2022	28/04/2022	Approval of financial statements at 31/12/2024	M		X	X	X	0	5/7
Board Member	Elisabetta Simona CASTELLAZZI	1966	28/04/2022	28/04/2022	Approval of financial statements at 31/12/2022	M		X			0	7/7
Board Member	Michela MORANDO	1972	28/04/2022	28/04/2022	Approval of financial statements at 31/12/2022	M		X			0	6/7
----- DIRECTORS WHOSE TERM OF OFFICE EXPIRED DURING THE REPORTING YEAR -----												
Board Member	Antonio Andrea MONARI	1951	28/04/2016	24/04/2019	Approval of financial statements at 31/12/2021	M		X	X	X	1	3/3
Board Member	Raffaella PAGANI	1972	28/04/2016	24/04/2019	Approval of financial statements at 31/12/2021	M		X	X	X	17	3/3
Board Member	Chiara SAVINO	1966	24/04/2019	29/04/2021	Approval of financial statements at 31/12/2021	M		X			0	3/3
Board Member	Anna FENOCCHIO	1960	24/04/2019	29/04/2021	Approval of financial statements at 31/12/2021	M		X			0	3/3
No. of meetings held during the reporting year: 10												

NOTES

The following symbols must be entered in the "Position" column:

- * The date of the first appointment of each director means the date on which the director was appointed for the first time (ever) to the Board of Directors of the issuer
- ** This column indicates the list from which each director was drawn (**M**: majority list; **m**: minority list; **BoD**: list submitted by the BoD)
- *** This column indicates the number of offices of Director or Statutory Auditor held by the person concerned in other companies. Attachment 1 to the Corporate Governance Report lists the positions in full.
- **** This column shows the attendance of directors at BoD meetings (indicate the number of meetings attended out of the total number of meetings attended; e.g. 6/8; 8/8 etc).

¹ It should be noted that Mr. Before the listing, which took place on 07/07/2004, Pietro Giuliani was Chairman of Azimut Holding S.p.A.. (incorporated on 08/11/2001) from 12/11/2001 to 28/01/2002 and as Chief Executive Officer from 28/01/2002.

² In particular, this is the only list presented by the shareholder Timone Fiduciaria S.r.l.

TABLE 2: STRUCTURE OF THE BOARD COMMITTEES AT THE END OF THE FINANCIAL YEAR

Board of Directors		OPC Committee		Control and Risk Committee		Remuneration Committee		Sustainability Committee	
Position/Qualification	Components	(*)	(**)	(*)	(**)	(*)	(**)	(*)	(**)
Chief Executive Officer	Gabriele BLEI							4/4	M
Chief Executive Officer	Giorgio MEDDA							3/4	M
Chief Executive Officer	Alessandro ZAMBOTTI							4/4	M
Independent Director pursuant to the TUF and the Code	Anna Maria BORTOLOTTI	3/3	P	9/9	P	6/6	M		
Independent Director pursuant to the TUF and the Code	Costanza BONELLI	2/2	M	7/7	M				
Independent Director pursuant to the TUF and the Code	Fiorenza DALLA RIZZA	2/2	M	7/7	M	4/4	M		
Independent Director pursuant to the TUF and the Code	Marcello FOA					4/4	P		
----- DIRECTORS WHOSE TERM OF OFFICE EXPIRED DURING THE REPORTING YEAR -----									
Independent Director pursuant to the TUF and the Code	Raffaella PAGANI	1/1	P	2/2	P	2/2	M		
Independent Director pursuant to the TUF and the Code	Nicola COLAVITO	1/1	M	2/2	M				
Independent Director pursuant to the TUF and the Code	Antonio Andrea MONARI					2/2	P		
----- ANY MEMBERS OTHER THAN DIRECTORS-----									
Managing Director for Distribution Area 4 of Azimut Capital Management SGR S.p.A. and Chief Sustainability Officer	Monica LIVERANI							4/4	M
Head of Product Management of Azimut Capital Management SGR S.p.A.	Antonella TIRABASSI							4/4	M
Member of the Product Management of Azimut Capital Management SGR S.p.A.	Silvia TUMIATI							4/4	M
No. of meetings held during the Year		3		9		6		4	

(*) This column shows the directors' attendance at committee meetings (indicate the number of meetings attended out of the total number of meetings that could have been attended; e.g. 6/8; 8/8 etc)

(**) This column indicates the qualification of the director within the committee: "P": chairman; "M": member

TABLE 3 - STRUCTURE OF THE BOARD OF STATUTORY AUDITORS

BOARD OF STATUTORY AUDITORS									
Position	Components	Year of birth	Date of initial appointment (*)	In office since	In office until	List M/m (**)	Ind. Code	Attendance at Board meetings (***)	No. of other positions (****) 1
Chair	Marco LORI	1956	28/04/2022	28/04/2022	Meeting to approve the financial statements at 31/12/2024	m	X	12/12	18
Standing Auditor	Stefano FIORINI	1969	28/04/2022	28/04/2022	Meeting to approve the financial statements at 31/12/2024	M	X	12/12	18
Standing Auditor	Maria CATALANO	1980	28/04/2022	28/04/2022	Meeting to approve the financial statements at 31/12/2024	m ²	X	12/12	8
Alternate Auditor	Chiara SEGALA	1972	28/04/2022	28/04/2022	Meeting to approve the financial statements at 31/12/2024	M	X	==	9
Alternate Auditor	Francesca ASQUASCIATI	1973	28/04/2022	28/04/2022	Meeting to approve the financial statements at 31/12/2024	m	X	==	10
----- STATUTORY AUDITORS WHOSE TERM OF OFFICE EXPIRED DURING THE REPORTING YEAR -----									
Chair	Vittorio ROCCHETTI	1962	28/04/2016	24/04/2019	Meeting to approve the financial statements at 31/12/2021	M ³	X	11/11	28
Standing Auditor	Costanza BONELLI	1968	28/04/2016	24/04/2019	Meeting to approve the financial statements at 31/12/2021	M ³	X	11/11	5
Standing Auditor	Daniele Carlo TRIVI	1955	28/04/2016	24/04/2019	Meeting to approve the financial statements at 31/12/2021	M ³	X	11/11	15
Alternate Auditor	Maria CATALANO	1980	28/04/2016	24/04/2019	Meeting to approve the financial statements at 31/12/2021	M ³	X	==	8
Alternate Auditor	Federico STRADA	1985	24/04/2019	24/04/2019	Meeting to approve the financial statements at 31/12/2021	M ³	X	==	5
Number of meetings held during the reporting year: 23									

NOTES

¹ Offices held during the reference reporting year.

² Appointed by the Shareholders' Meeting of 28/04/2022 by the majority of those voting.

³ This is the only list submitted by the shareholder Timone Fiduciaria S.r.l., which was voted in the Shareholders' Meeting of 24/04/2019 by the majority of voters.

* The date of the initial of each Statutory Auditor refers to the date on which the Statutory Auditor was appointed for the first time (ever) to the Board of Directors of the Issuer.

** This column indicates whether the list from which each auditor was drawn is "majority" (M), or "minority" (m).

*** This column indicates the participation of the Statutory Auditors in the meetings of the Board of Statutory Auditors (indicate the number of meetings attended with respect to the total number of meetings which could have been attended: e.g., 6/8, 8/8, etc.).

**** This column shows the number of positions as director or statutory auditor held by the person concerned pursuant to article 148-bis of the TUF and the related implementing provisions contained in the Consob Issuers' Regulations.

The complete list of positions is published by Consob on its website pursuant to article 144-quinquiesdecies of the Consob Issuers' Regulations.

ANNEX 1:
OTHER POSITIONS OF THE MEMBERS OF THE BOARD OF DIRECTORS IN THE REPORTING YEAR (1/1/2022 - 31/12/2022)

NAME	COMPANY	POSITION HELD
Pietro GIULIANI	==	==
Gabriele BLEI	<ul style="list-style-type: none"> - Azimut Capital Management SGR S.p.A. (*) - Azimut Financial Insurance S.p.A. (*) - Azimut Enterprises S.r.l. (*) - Azimut Crescimpresa S.r.l. (*) - Azimut Capital Tech S.r.l. (*) - Azimut Digital Financing I S.p.A. (*) - Azimut Fintech Holding S.r.l. (*) - Insuretech Deal S.r.l. - Azimut Direct Solutions S.r.l. (*) - Azimut Direct X S.r.l. (*) - SiamoSoci S.r.l. (*) - Valuebiotech S.r.l. - AZ International Holdings S.A. (*) - AZ Swiss & Partners S.A. (*) - Azimut Portföy Yonetimi A.S. (*) - Azimut (DIFC) Ltd (*) - Azimut (ME) Ltd (*) - Azimut Egypt Asset Management Ltd (*) - AN ZHONG (AZ) Investment Management Limited (*) - AN ZHONG (AZ) Investment Management Hong Kong Limited (*) - Azimut Investments SA Administradora General de Fondos (*) - AZ Next Generation Advisory Ltd (*) - Azimut Libera Impresa SGR S.p.A. (*) - AZ Investment Management Ltd (*) - AZ US Holdings Inc. (*) - Luna 19 S.r.l. - Azimut Direct S.p.A. (*) - Azimut Marketplace S.r.l. - Electa Ventures S.r.l. (*) - AZ Venture Tech S.r.l. (*) - P101 SGR S.P.A. EUVECA - LIFT S.p.A. - Azimut Alternative Capital Partners, LLC (*) - AZ Investment Management Singapore Ltd (*) - AZ Sinopro Financial Planning Limited (*) - Más Fondos S.A. (*) - Highpost Capital LLC - CGM Azimut Monaco SAM (*) - AZ-Mexico Holdings S.A. (*) - AZ Apice Capital Managements LLC (*) - FNDX S.r.l. 	<ul style="list-style-type: none"> - Chair - Vice Chairman - Sole Director - Board Member
Massimo GUIATI	<ul style="list-style-type: none"> - AZ Sinopro Financial Planning Limited (*) - AZ Sinopro Investment Planning Limited (*) - AZ Investment Management Singapore Ltd (*) - Azimut Genesis Holding LLC USA (*) - Sanctuary Wealth Group, LLC (*) - AZ Apice Capital Management LLC (*) - AZ ZHONG (AZ) Investment Management Limited (*) - AZ US Holdings Inc. (*) - AZ International Holdings S.A. (*) - Azimut Alternative Capital Partners, LLC (*) - AZ Swiss & Partners S.A. (*) - Azimut (DIFC) Ltd (*) - AZ Investment Management Ltd (*) - An Zhong (AZ) Investment Management Hong Kong Limited (*) - AZ-Mexico Holdings S.A. (*) - Más Fondos S.A. (*) 	<ul style="list-style-type: none"> - Chair - Chief Executive Officer - Board Member

	<ul style="list-style-type: none"> - Azimut Investments SA Administradora General de Fondos (*) - AZ Sestante Limited (*) - AZ Next Generation Advisory Ltd (*) - AZ Next Generation Accounting Ltd (*) - Spencer Fuller and Associates Pty Ltd ACN 058 625 602 - Domane Financial Advisers Pty Ltd - Dunsford Financial Planning Pty Ltd (*) - Empowered Financial Partners Pty Ltd (*) - Eureka Financial Group Pty Ltd (*) - Eureka Whittaker Mcnaught Pty Ltd (*) - FHM Holdings Pty Ltd - Financial Lifestyle Partners (*) - Harvest Wealth Pty Ltd (*) - Lifestyle Financial Planning Services Pty Ltd (*) - Logiro Unchartered Pty Ltd (*) - Más Fondos S.A. (*) - Menico Tuck Parrish Financial Services Pty Ltd (*) - Menico Tuck Parrish Pty Ltd - Mint Business Brokers Pty Ltd ACN 603 735 333 (*) - MP Holdings (WA) Pty Ltd ACN 629 441 461 (*) - MP Wealth (WA) Pty Ltd ACN 629 441 390 (*) - MPM Finance Pty Ltd ACN 113 708 937 (*) - Nextstep Financial Services Pty Ltd (*) - On-Track Financial Solutions (*) - PM Financial Services Pty Ltd ACN 077 064 316 (*) - Pride Financial Pty Ltd (*) - Priority Advisory Group Pty Limited (*) - Priority Planners Pty Limited - PT Services (WA) Pty Ltd ACN 629 441 532 (*) - RI Toowoomba Pty Ltd (*) - Shanghai Heyu Information Technology Co. Ltd - Sterling Planners Pty Ltd (*) - Tempus Wealth Group Pty Ltd ACN 636 233 540 (*) - Wealthmed Australia Pty Ltd (*) - Wealthmed Property Pty Ltd (*) - Wealthwise Pty Ltd (*) - Wise Planners Pty Ltd (*) 	
<p>Paolo MARTINI</p>	<ul style="list-style-type: none"> - Azimut Libera Impresa SGR S.p.A. (*) - Azimut Marketplace S.r.l. - Azimut Capital Management SGR S.p.A. (*) - Azimut Financial Insurance S.p.A. (*) - Azimut Crescimpresa S.r.l. (*) - Insuretech Deal S.r.l. (*) - Azimut Fintech Holding S.r.l. (*) - SiamoSoci S.r.l. (*) 	<ul style="list-style-type: none"> - Chair - Vice Chairman - Board Member
<p>Giorgio MEDDA</p>	<ul style="list-style-type: none"> - AZ US Holdings Inc. (*) - Azimut Alternative Capital Partners, LLC (*) - Azimut Portföy Yonetimi A.S. (*) - Azimut (DIFC) Ltd (*) - Azimut (ME) Ltd (*) - Azimut Investments S.A. (*) - Azimut Direct S.p.A. (*) - Azimut Digital Financing I S.p.A. (*) - Electa Ventures S.r.l. - Young Platform S.p.A. - AZ International Holdings S.A. (*) - AZ Swiss & Partners S.A. (*) - Azimut Egypt Asset Management Ltd (*) - Azimut-Kaan Asesores En Inversiones (*) - AZ Sestante Ltd (*) - Azimut Investment Management Singapore Ltd (*) - AZ-Mexico Holdings S.A. (*) - Azimut Investments SA Administradora General de Fondos (*) 	<ul style="list-style-type: none"> - Chair - Vice Chairman - Chief Executive Officer - Board Member

<p>Alessandro ZAMBOTTI</p>	<ul style="list-style-type: none"> - Azimut Investments SA (*) - AZ Venture Tech S.r.l. (*) - Azimut Capital Management SGR S.p.A. (*) - Azimut Libera Impresa SGR S.p.A. (*) - Azimut Financial Insurance S.p.A. (*) - Azimut Enterprises S.r.l. (*) - GH Investimenti S.r.l. - Azimut Crescimpresa S.r.l. (*) - Azimut Capital Tech S.r.l. (*) - Azimut Digital Financing I S.p.A. (*) - Insuretech Deal S.r.l. - Azimut Fintech Holding S.r.l. (*) - Azimut Direct S.p.A. (*) - Azimut Direct X S.r.l. (*) - SiamoSoci S.r.l. (*) - P101 SGR S.P.A. EUVECA - AZ International Holdings SA (*) - CGM Azimut Monaco SAM (*) 	<ul style="list-style-type: none"> - Chair - Vice Chairman - Sole Director - Board Member
<p>Costanza BONELLI</p>	<ul style="list-style-type: none"> - Immobiliare Sede Dottori Commercialisti di Milano S.p.A. - Invita S.r.l. impresa sociale - Immobiliare Giulini Tre S.p.A. - Cerved Group S.p.A.¹ - S.I.R.T. Monte Pora S.p.A. in liquidation <p>¹until July 2022</p>	<ul style="list-style-type: none"> - Board Member - Sole Auditor - Standing Auditor - Alternate Auditor
<p>Anna Maria BORTOLOTTI</p>	<ul style="list-style-type: none"> - Azimut Capital Management SGR S.p.A. (*) - Azimut Libera Impresa SGR S.p.A. (*) - Ottorino Nonfarmale S.r.l. - Malossi S.p.A. - Made Italia S.p.A. - Lifting ropes & shiprepairs S.r.l. - F2i Holding Portuale S.p.A. - F2i Porti S.r.l. - Multi service S.r.l. - So.ri.ma. S.r.l. - Transped S.r.l. - Area S.p.A. - Res Immobiliare S.p.A. - Marterneri S.p.A. - F2i Smeralda S.p.A - F2i Ligantia S.p.A - GEASAR S.p.A - Compagnia Portuale S.r.l. - F2i Storage S.p.A - Poligrafici Printing S.p.A. - Boero Bartolomeo S.p.A. 	<ul style="list-style-type: none"> - Board Member - Chairman of the Board of Statutory Auditors - Sole Auditor - Standing Auditor
<p>Nicola COLAVITO</p>	<ul style="list-style-type: none"> - Grafiche Bramucci S.r.l. - Holidaywear S.r.l. - KIKO Milano S.p.A. - DMO Pet Care S.r.l. - Island of Treasures S.r.l. - ISEM S.r.l. - Pen Pack S.r.l. - Lanikai S.r.l. - Prima Industrie S.p.A. - ST. Barth S.r.l. - Westgate Terrace Ltd 	<ul style="list-style-type: none"> - Chief Executive Officer - Board Member

Fiorenza DALLA RIZZA	<ul style="list-style-type: none"> - Azimut Capital Management SGR S.p.A. (*) - Azimut Libera Impresa SGR S.p.A. (*) - Azimut Digital Financing I S.p.A. (*) - Benozzo Gozzoli Soc. Coop. - Cosenz 2005 Soc. Coop. Ed. - Il Fontanile Soc. Coop. - Le Corti Di Monticello Soc. Coop. - Aurora I Soc. Coop. 	<ul style="list-style-type: none"> - Board Member - Standing Auditor - Chairman of the Board of Statutory Auditors
Marcello FOA	<ul style="list-style-type: none"> - Azimut Capital Management SGR S.p.A. (*) 	<ul style="list-style-type: none"> - Board Member
Marco GALBIATI	<ul style="list-style-type: none"> - Sigmatre LAB S.r.l. - Galbiati S.r.l. - Galbiati Lamiere S.r.l. - Axind S.r.l. - Fibrocev S.r.l. - ValueBiotech S.r.l. - FIN-AG S.r.l. - La Metalnastro S.r.l. - P.R.A.IM. S.r.l. 	<ul style="list-style-type: none"> - Chairman and Chief Executive Officer - Chief Executive Officer - Board Member
Silvia PRIORI	==	==
Vittoria SCANDROGLIO	==	==
Elisabetta Simona CASTELLAZZI	==	==
Michela MORANDO	==	==
Antonio Andrea MONARI	<ul style="list-style-type: none"> - Azimut Capital Management SGR S.p.A. (*)² <p>² until April 2022</p>	<ul style="list-style-type: none"> - Board Member
Raffaella PAGANI	<ul style="list-style-type: none"> - Amplifon S.p.A. - Brembo S.p.A. - Chiesi Farmaceutici Spa - Sanofi S.r.l. - Bracco Imaging Spa - La Linea S.p.A. - Ferroviennord S.p.A. - Fiera Parking S.p.A. - Dufrital S.p.A. - Autostrade Lombarde S.p.A. - SIB Società Italiana Bricolage S.p.A. - ENEL Italia S.p.A. - ENEL Power S.p.A. - SEN Servizio Elettrico Nazionale S.p.A - Leroy Merlin S.p.a. - Dufry Shop Finance Limited S.r.l - Vanguard Logistics Services S.r.l. 	<ul style="list-style-type: none"> - Chairman of the Board of Statutory Auditors - Standing Auditor - Sole Auditor
Anna FENOCCHIO	==	==
Chiara SAVINO	==	==

(*) Companies belonging to the Issuer's Group.