



**Alkemy S.p.A.**

Registered office in Milan, at via San Gregorio 34 - share capital Euro 595,534.32 fully paid up

Registration number with Milan Companies House, tax code and VAT number 05619950966 -

Economic and Administrative Index (REA) no. 1835268

Institutional website: [www.alkemy.com](http://www.alkemy.com)

**Report on Corporate Governance and Ownership Structures  
in accordance with Art. 123-bis of the Consolidated Law on Finance  
relative to FY 2022**

(Traditional administration and auditing model)

Approved by the Board of Directors on March 27<sup>th</sup>, 2023

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## GLOSSARY

**Alkemy:** Alkemy S.p.A., with registered office at via San Gregorio 34, Milan, VAT number, tax code and registration number with Milan Companies House 04642290961, the company to which this Report refers.

**Directors:** the members of the Board of Directors.

**Executive directors:** the chairman of the company or a subsidiary of strategic relevance, when attributed management delegations or preparing business strategies; directors assigned managerial delegations and/or holding managerial roles in the company or a subsidiary of strategic relevance or in the parent company when the appointment also regards the company.

**Independent directors:** non-executive directors who do not entertain nor have they recently entertained, directly or indirectly, any relations with the company or subjects linked to it, such as to impact their current independence of judgement.

**Significant shareholder:** the subject that directly or indirectly (through subsidiaries, trustees or third parties) controls the company or can exercise significant influence over it or directly or indirectly takes part in a shareholders' agreement whereby one or more parties control or have significant influence over the company.

**Chief Executive Officer (CEO):** main head of business management.

**Civil Code / c.c.:** the Italian Civil Code.

**Code or Corporate Governance Code:** the Code of Corporate Governance was approved by the Corporate Governance Committee and promoted by Borsa Italiana S.p.A., ABI Ania, Assogestioni, Assonime and Confindustria in January 2020 and came into force on 1 January 2021.

**Committee or Corporate Governance Committee:** the Italian Committee for the Corporate Governance of listed companies, promoted by Borsa Italiana S.p.A., ABI, Ania, Assogestioni, Assonime and Confindustria.

**Board or Board of Directors:** the Issuer's Board of Directors.

**Trading Start Date:** the date on which Alkemy shares began trading on the STAR segment (i.e. 17 December 2019).

**Report Date:** the date of this Report, *i.e.* March 27<sup>th</sup>, 2023.

**Issuer/Company:** Alkemy, *i.e.* the issuer of the Issuer of securities to which the Report refers.



**Financial Year or FY:** the company financial year to which the Report refers, *i.e.* the year ended at December 31<sup>th</sup>, 2022.

**Administrative body:** the board with the task of resolving on strategic guidelines, monitoring their implementation, and on transactions of strategic relevance, *i.e.* the Board of Directors.

**Control body:** board assigned the duties of the audit committee (sometimes also termed the “Internal Control and Accounts Auditing Committee”) in accordance with Directive 2006/43/EC, *i.e.* the Board of Auditors.

**Business Plan:** the document defining the corporate strategic objectives and the action to be carried out in order to achieve such objectives in line with the level of exposure to the chosen risk, with a view to promoting the sustainable success of the company.

**Consob Issuers’ Regulation:** the Regulation issued by Consob with resolution no. 11971 of 1999 (and subsequent amendments) on the matter of issuers.

**Consob Market Regulation:** the Regulation issued by Consob under the 2017 resolution no. 20249 relating to markets.

**Consob Related Parties Regulation:** the Regulation issued by Consob with resolution no. 17221 of 12 March 2010 (and subsequent amendments) on related party transactions.

**Report:** the corporate governance and corporate structure report that companies are required to draw up pursuant to article 123-*bis* of the Consolidated Law on Finance.

**Concentrated ownership company:** company in which one or more shareholders party to a shareholders' agreement governing voting, have, directly or indirectly (through subsidiaries, trust companies or third parties), the majority of the votes that can be cast in an ordinary shareholders’ meeting.

**Large company:** the company whose capitalisation exceeded 1 billion euros on the last trading day of each of the three previous calendar years.

**Sustainable success:** objective guiding the work of the administrative body and which takes the form of the creation of long-term value to the benefit of shareholders, taking into account the interests of the other stakeholders relevant to the company.

**Top management:** senior managers who are not members of the administrative body and who have the power and responsibility for planning, managing and controlling the activities of the company and group heading it

**Consolidated Law on Finance or CLF:** Italian Legislative Decree no. 58 of 24 February 1998.



## **INTRODUCTION**

La This Report has been prepared in compliance with the provisions of current legislation and the Code of Corporate Governance, as well as with the format prepared by Borsa Italiana.





## 1. ISSUER PROFILE

Alkemy's shares have been listed on the Borsa Italiana Euronext STAR Milan market since 17 December 2019; previously (on 05 December 2017), they had been admitted to the multilateral trading facility of AIM Italia (Euronext Growth Milan).

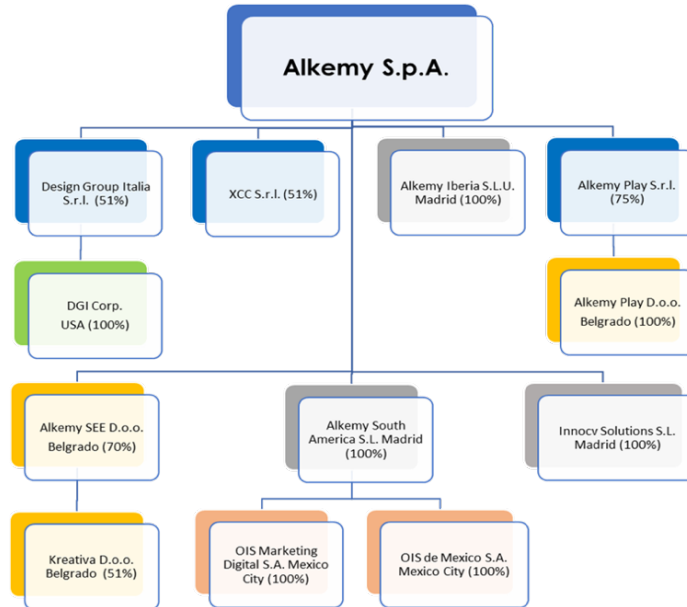
The Company operates on the digital and technological innovation market segment, where it offers services aiming to improve the market position and competitiveness of large and medium enterprises, stimulating the evolution of their business models, in line with technological innovation and consumer conduct.

In this area, partly thanks to the various specialisations developed by it and by its subsidiaries in Italy and abroad (the “**Alkemy Group**”), Alkemy integrates competences in the areas of Strategy, Communication, Design, Performance, Technology, Insights & Analytics, with a range designed for the post-digital context, which covers the entire value chain, from strategy to implementation.

The Alkemy Group first started operating and made its market début in May 2012, on the initiative of a group of entrepreneurs with significant previous experience in the world of business consultancy and technological innovation, accrued with leading international companies. Its aim was to assist medium-large Italian and foreign businesses with the processes of transforming their business model and the management of internal activities and those for customers, that had become necessary due to the constant, progressive increase in the digitisation of the range of services and communication techniques.

In the pursuit of the growth strategy implemented by the management team since the very start of operations, the Company has implemented various aggregations that over the years have allowed the Company to expand upon the areas of operations and its business model, with the aim of extending its range and strengthening both its know-how and its presence in other countries, like Spain, Mexico and the countries of the Balkans.

Alkemy Group is composed by the parent company Alkemy S.p.A. and 12 subsidiaries in Italy, Serbia, Spain, Mexico and United States.



The Group intends to pursue its growth and development strategy by internal lines and, if completed, also by external lines, maintaining its specialisation on the market of technological and digital innovation, first and foremost increasing oversight of the Italian territory and then strengthening its position abroad, where it can use the know-how it has built up over time.

More specifically, the Board of Directors, as the corporate body responsible for guiding the Company and the Group, pursues a strategy of sustainable success, aimed at providing customers with innovative services offering high added value and that can improve corporate economic performance (also in terms of better margins), affirming its solid image of constant collaboration in regard to customers.

For more information on how the Company integrates the objective of creating long-term value for shareholders into its strategies, whilst also taking due consideration of the interests of the other relevant stakeholders, refer to Section 4.1 of this report; instead, as regards the Policies on Remuneration and the internal control and risk management system, refer respectively to Sections 8 and 9.

Aimed at documenting its commitment in ESG matters, during FY the Company published the consolidated non-financial disclosure pursuant to Italian Legislative Decree no. 254/2016, available on Company's website [www.alkemy.com](http://www.alkemy.com) Corporate Governance section.

The statutory audit of the annual accounts and consolidated accounts is entrusted to an independent auditing firm (KPMG S.p.A.) registered on the list of statutory auditors and statutory auditing firms,



established in accordance with Art. 2, paragraph 1 of Italian Legislative Decree no. 39/2010, appointed on 17 December 2019 until approval of the financial statements at 31 December 2027.

The Company's Corporate Governance System is structured in compliance with the recommendations given in the CG Code, to which Alkemy adheres, as well as with provisions of law and regulations governing listed Italian companies; it is hinged, in consideration of the governance structure, on four pillars: (i) the central role of the administrative and auditing bodies; (ii) the effectiveness and transparency of the managerial choices; (iii) careful, aware monitoring of related party transactions and the processing of inside information; and (iv) all the values defined, recognised and shared, fixed in the Alkemy Code of Ethics (the "**Code of Ethics**"), an integral part of the "Organisation, Management and Control Model" envisaged by Art. 6 of Italian Legislative Decree no. 231 of 08 June 2001, on the "Regulation of the administrative liability of legal entities", both published on the website <https://corporate.alkemy.com/en/governance/> - Organizational Model.

More specifically, the Code of Ethics identifies all values, principles and conduct with which employees and collaborators must comply, as well as the directors of the Board and Alkemy's Board of Auditors, in going about their work.

The main objectives of the Code of Ethics include, essentially, the moralisation and economic efficiency of both inter-company relations (senior management, management, employees and collaborators) and relations outside the Company (*e.g.* between it and the market), with the aim of fostering unambiguous guidelines to conduct and economic benefits brought about by the consolidation of a positive business reputation.

At the date of this Report, Alkemy can be classified as "SME" (Small-Medium Enterprise) in accordance with Art. 1, paragraph 1, letter w-quater.1) of the Consolidated Law on Finance and Art. 2-ter of the Consob Issuers' Regulation, insofar as the capitalisation value recorded on the date of 31 December 2022 is approximately Euro 62.653.796,20.

In consideration of the definitions given in the CG Code and the above capitalisation value, Alkemy cannot be classified as a "large company". The Issuer also does not come under the scope of the definition of a "concentrated ownership company".



## **2. INFORMATION ON THE OWNERSHIP STRUCTURES (PURSUANT TO ART. 123-BIS, PARAGRAPH 1 OF THE CONSOLIDATED LAW ON FINANCE AT MARCH 27<sup>TH</sup>, 2023**

### **a) Share capital structure (pursuant to Art. 123-bis, paragraph 1, letter a) of the Consolidated Law on Finance Struttura del capitale sociale (ex art. 123-bis, comma 1, lettera a), TUF)**

At March 27<sup>th</sup>, 2023, Alkemy S.p.A.'s subscribed and paid-up share capital came to Euro 595,534.32 and numbered 5,685,460 ordinary shares. To date, the Company has more than 150,864 treasury shares, accounting for 2.65% of the share capital and 2.21% of the voting rights.

More specifically, the Company's share capital is represented by 5,685,460 ordinary shares, conferring a total of 6,822,660 voting rights and, specifically:

- (i) 4,548,260 ordinary shares, without increased vote, conferring 4,548,260 voting rights;
- (ii) 1,137,200 ordinary shares, without increased vote, conferring 2,274,400 voting rights.

Reference is made to the information given in the Information Prospectus, the Articles of Association and the Report on Remuneration, Section 2, Chapters 4 and 5, prepared in accordance with Art. 123-ter of the Consolidated Law on Finance (the "**Report on Remuneration**"), published in the Corporate Governance/Shareholders Meeting/2023 section of the Company's website [www.alkemy.com](http://www.alkemy.com), for full details on the share-based incentive plans approved by the Company.

### **b) Restrictions on the transfer of securities (pursuant to Art. 123-bis, paragraph 1, letter b) of the Consolidated Law on Finance)**

Si segnala che il Patto Parasociale sciolto in data 17 dicembre 2022 (come *infra* definito) prevedeva determinati impegni di mera informativa nel caso un Azionista avesse inteso cedere a terzi una partecipazione in Alkemy pari o superiore all'1% dei diritti di voto.

There are no limits envisaged to the free transfer of shares nor indeed limits to their possession, nor are there any approval clauses for purchasing investments in Alkemy's share capital in accordance with the law or the Articles of Association.

The Shareholder Agreement (as defined herein), terminated on December 17<sup>th</sup>, 2022, envisaged certain merely informative commitments if a Shareholder intended to sell their share in Alkemy, accounting for at least 1% of voting rights, to a third party.

For full details, refer to the extract taken from the Shareholder Agreement communicated to Consob in accordance with Art. 122 of the Consolidated Law on Finance, available for consultation in the "Issuers" section of the Consob website [www.consob.it](http://www.consob.it) and to the essential information, pursuant to



Art. 130 of Consob's Issuers' Regulation, as updated and published on the Company's website [www.alkemy.com](http://www.alkemy.com), in the Corporate Governance/Ownership Structures section.

**c) Significant investments in share capital (pursuant to Art. 123-bis, paragraph 1, letter c) of the Consolidated Law on Finance)**

According to that recorded by the Company on the basis of communications received pursuant to Art. 120 of the Consolidated Law on Finance, at the date of this Report, the subjects holding more than 5% of the subscribed capital, represented by shares with voting rights, are indicated in Table 1 – Information on the ownership structure, to which please refer for more details on the percentage vote due to each holder of significant shareholdings.

At the Report Date, no one controls the Issuer in accordance with Articles 2359, paragraph 1, point 1 and 2 of the Italian Civil Code and 93 of the Consolidated Law on Finance.

**d) Securities carrying special rights (pursuant to Art. 123-bis, paragraph 1, letter d) of the Consolidated Law on Finance)**

No securities have been issued that confer special rights of control, nor are there any holders of special powers in accordance with current provisions of regulations and the Articles of Association.

**Increased vote (pursuant to Art. 127-quinquies of the Consolidated Law on Finance)**

In accordance with Article 14 of the Articles of Association, each Alkemy Share gives the right to double votes (and, therefore, two votes per share), if both the following conditions are met:

1. The voting right is due to the same subject, by virtue of a right in rem giving entitlement to the exercise of the voting right (full ownership with voting right or bare ownership with voting right or usufruct with voting right, the “**Legitimizing Right in Rem**”) for a continuous period of at least twenty-four months (the “**Significant Period**”), without prejudice to the fact that for the purpose of calculating the Significant Period, the period of continuous possession of shares is also counted, running from the start date of trading of the Company's ordinary shares on the AIM Italia organised by Borsa Italiana S.p.A. (i.e. 05 December 2017) and the date of registration on the List (as defined herein) (the “**AIM Italia Vesting Period**”);
2. the meeting of the criteria set out under point 1 above, is certified by:
  - (a) the continuous registration, for a period of at least twenty-four months, on the special list duly established and regulated by this Article (the “**List**”); or
  - (b) in order to consider the AIM Italia Vesting Period in calculating the Significant Period, from the continuous registration on the List and, to calculate the AIM Italia Vesting Period, by a specific communication issued by the intermediary with which the shares are



deposited in accordance with current legislation, attesting to the ownership of the Legitimizing Right in Rem for the period prior to the date of registration on the List.

The increase in the vote takes effect:

- (i) from the fifth trading day of the calendar month falling after that of the Significant Period from the registration on the List, as long as the communication certifying ownership of the Legitimizing Right in Rem, for the purpose of achieving an increase in vote, is received by the Company within three trading days of the calendar month following that of the Significant Period from registration on the List; or
- (ii) if the communication certifying ownership of a Legitimizing Right in Rem should reach the Company after the deadline specified above, from the fifth trading day of the calendar month after that in which the Second Communication reached the Company
- (iii) in order to attend the Company Shareholders' Meeting and in derogation from the foregoing, from the Record Date as long as by that date the Company has received the communication attesting to the ownership of the Communication Legitimizing Right in Rem.

The rules of operation are set out in the Articles of Association published on the website [www.alkemy.com](http://www.alkemy.com) in the Corporate Governance/Articles of Association and Deed of Incorporation section and in the Increased Vote Regulation adopted by the Company on 02 October 2019 by the Board of Directors available for consultation on the website [www.alkemy.com](http://www.alkemy.com) in the Corporate Governance/Ownership Structure section.

At the date of this Report, 5 (five) Shareholders have requested registration on the List (prepared in accordance with Art. 127-quinquies of the Consolidated Law on Finance), 2 (two) of whom hold significant shareholdings, as indicated in the following Table:

TABLE OF INCREASED VOTES			
Declarant	Direct shareholder	% share of ordinary share capital	% share of voting share capital
Duccio Vitali	Duccio Vitali	10.85%	17.50%
Lorenzini Riccardo Cesare	Lorenzini Riccardo Cesare	6.05%	10.25%

**e) Shareholding by employees: mechanism for exercising voting rights (pursuant to Art. 123-bis, paragraph 1, letter e) of the Consolidated Law on Finance)**

At the date of this Report, the Company has adopted remuneration plans for Directors and Executives with Strategic Responsibilities described in the Report on Remuneration and in the information



documents prepared in accordance with Art. 114-bis of the Consolidated Law on Finance and Art. 84-bis of Consob's Issuers' Regulation, published on the Company's website [www.alkemy.com](http://www.alkemy.com), in Corporate Governance section, Incentive Plans and Shareholders' Meeting/2022 sub-sections.

For full information on the incentive plan named *Long Term Incentive Plan 2020-2023* please refer to the Report on Remuneration, Section II, Part I, Paragraph 5, available on the Company's website [www.alkemy.com](http://www.alkemy.com), in Corporate Governance/Shareholders Meeting/2023 section.

The Shareholders' Meeting held on April 26<sup>th</sup>, 2023, approved the adoption of a shareholding plan in the favour of Alkemy Group employees, named "MyShare", by which any participant authorizes the company belonging to Alkemy Group with which has the employment relationship to keep a part of his compensation, between a minimum and a maximum, for the purchase of Alkemy shares. The plan is structured in tranches and the withholding are made during the entire duration of the relevant tranche, until its termination, without prejudice to the right of each participant whether to suspend or revoke the participation to the plan. The Shares are monthly purchased by the Company through specialized intermediary, at a price equal to the closing price on Euronext STAR Milan market within the tenth trading-day following the month in which the withholding occurred. The relevant company belonging to Alkemy Group shall grant to any participant who is still working for the said company on the expiration date of the minimum period, as defined by the Rules, 1 (one) Share, every 4 (four) purchased shares held by the participant for the entire duration of the minimum period.

These plans do not envisage the attribution of voting rights to anyone other than the related beneficiaries, nor any particular mechanisms for exercising voting rights.

**f) Restrictions on the voting rights (pursuant to Art. 123-bis, paragraph 1, letter f) of the Consolidated Law on Finance)**

There are no restrictions on voting rights.

**g) Shareholder agreements (pursuant to Art. 123-bis, paragraph 1, letter g) of the Consolidated Law on Finance)**

On December 9<sup>th</sup>, 2019, a shareholders' agreement (the "Shareholder Agreement" or "Agreement") was signed between Duccio Vitali ("DV"), Jakala Holding S.p.A. ("Jakala"), Riccardo Cesare Lorenzini ("RCL"), O2E S.r.l. ("O2E") and Lappentrop S.r.l. ("Lappentrop") regarding ordinary shares of Alkemy, aimed at regulating the members of corporate bodies to be appointed by the shareholders' meeting approving the financial statements for the year ended at 31 December 2021 (or before that date if, for any reason, they should forfeit office before their natural expiry), as well as envisaging a procedure of prior consultation and to establish common provisions regarding the circulation of shares owned by the Parties.



Il Patto Parasociale ha acquistato efficacia dalla data di inizio delle negoziazioni delle Azioni Alkemy sul MTA e – successivamente alla cessione integrale da parte di O2E della propria partecipazione nell’Emittente intervenuta in data 15 giugno 2021 – è stato **risolto consensualmente** in data 17 dicembre 2022.

The Shareholder Agreement was effective from the start date of trading of Alkemy Shares on the MTA (the “**Date of Effect**”) and – after O2E sold all its investment in the Issuer on June 15<sup>th</sup>, 2021 – was **mutually terminated** on December 17<sup>th</sup>, 2022.

The extract of the Shareholder Agreement was notified to Consob in accordance with Art. 122 of the Consolidated Law on Finance and is available from the “Issuers” section of the Consob website, [www.consob.it](http://www.consob.it).

The essential information relating to the shareholders’ agreements set out in the Shareholder Agreement, as updated in accordance with Art. 131 of the Issuers’ Regulation, and the related updates are published, in accordance with Art. 130 of the Consob Regulation, on the Company’s website ([www.alkemy.com](http://www.alkemy.com)), in the Corporate Governance/Ownership Structures section.

**h) Change of control clause (pursuant to Art. 123-bis, paragraph 1, letter h) of the Consolidated Law on Finance) and provisions of the Articles of Association about takeover bids (pursuant to Art. 104, paragraph 1-ter and 104-bis, paragraph 1)**

As regards the presence of change of control clauses in the agreements signed by the Company and/or its subsidiaries, please note the following:

➤ Alkemy - DGI investment contract:

The Investment Contract signed on 16 July 2019 (the “**Investment Contract**” between Alkemy and Messrs Edgardo Angelini, Sigurdur Thorsteinsson and Peter James Newbould (the “**DGI Shareholders**”), currently the minority shareholders of the company Design Group Italia I.D. S.r.l. (“**DGI**”) and concerning the purchase by Alkemy of 100% of the shares of DGI in said DGI Shareholders in three phases, envisages, limited to insofar as concerns this Report, that in the event of the delisting of Alkemy, the direct or indirect acquisition by a third party, in any way such may take place, of at least 51% of the share capital of Alkemy, the put and call options over the additional 49% stake of DGI would be accelerated, for a price equal to 7 and a half times the average EBITDA resulting from the last two financial statements approved by the Company +/- the NFP resulting from the last approved financial statements.

Moreover, in accordance with the provisions of the directors’ contracts entered into between DGI and Messrs Edgardo Angelini, Sigurdur Thorsteinsson and Peter James Newbould, as directors of the same company, should there be a change of control in Alkemy, at the terms





described above, this will constitute just cause for dismissing them from the office of directors of DGI.

➤ **Bank loan contracts:**

The medium-term bank loan contracts described in the Report on Operations, under the section “Significant events occurring during the financial year”, assign the banks the right to demand the early repayment of the loan in the event of a change of control in Alkemy.

In addition to the foregoing agreements, Alkemy and its subsidiaries have not entered into any other contracts and joint venture agreements, supply and cooperation agreements or loan contracts with change of control clauses.

The Articles of Association do not derogate from the provisions regarding the passivity rule provided for by Art. 104, paragraphs 1 and 1-*bis*, of the Consolidated Law on Finance and do not provide for the application of the neutralisation rules contemplated by Art. 104-*bis*, paragraphs 2 and 3, of the Consolidated Law on Finance.

**i) Delegated powers to increase the share capital and authorise the purchase of treasury shares (pursuant to Art. 123-bis, paragraph 1, letter m) of the Consolidated Law on Finance)**

➤ **Delegated powers to increase the share capital**

Extraordinary shareholders’ meeting of 09 March 2016

The Extraordinary Shareholders Meeting held on 09 March 2016 resolved to assign the Board of Directors, for five years from the date on which the resolution was registered with Companies House, in accordance with Art. 2443, second paragraph of the Italian Civil Code, the faculty to increase the share capital in exchange for payment, for up to Euro 15,000 (fifteen thousand), by means of the issue of up to 15,000 (fifteen thousand) new shares, for a price of Euro 8.80 (eight euros and eighty cents) each, including premium, without prejudice to the fact that the amount allocated to share capital for each share shall be no less than accounting parity, to be allocated to a Stock Option Plan called the “Alkemy 2017-2020 Stock Option Plan” to the benefit of employees and Directors of Alkemy and the Group companies, in accordance with the procedures, terms and conditions described in the resolution.

On 09 March 2017, in response to the delegation conferred by the extraordinary shareholders' meeting held on 09 March 2016, the Board of Directors resolved to increase the share capital by up to Euro 8,500 by means of the issue of up to 85,000 shares, for the price of Euro 10 per share subscribed, including premium, without prejudice to the fact that the amount allocated to share capital for each share shall be no less than accounting parity, with the shares reserved for subscription by directors and/or employees of Alkemy S.p.A. and the Group Companies, in accordance with the terms and



conditions of the “Alkemy 2017-2020 Stock Option Plan” approved by the Board of Directors, with said increase to be executed by 31 December 2020. at the Information Prospectus Date, the shares to be assigned under the scope of said incentive plan, had been assigned as follows:

2017:

<b>Directors</b>	<b>750</b>
<b>Employees</b>	<b>7.750</b>
<b>Total</b>	<b>8.500</b>

Extraordinary shareholders’ meeting of 16 November 2017:

The Extraordinary Shareholders Meeting held on 16 November 2017 resolved to increase the share capital in exchange for payment, with the exclusion of option rights in accordance with Art. 2441, paragraph 5 of the Italian Civil Code, for the purpose of listing for admission to the trading of Alkemy shares on AIM Italia, for up to Euro 189,981 (plus premium), in accordance with that established by the Board of Directors, by means of the issue, in one or more tranches and in a divisible fashion, of up to 1,851,665 ordinary shares.

In execution of said shareholders' meeting resolution, the director Duccio Vitali, by virtue of the powers conferred upon him by the Board of Directors on 16 November 2017, determined the increase of the share capital by Euro 187,000 and the subscription price of ordinary shares for listing as Euro 11.75 each, of which Euro 0.11 for share capital and Euro 11.64 by way of premium, with the issue of up to 1,700,000 Shares to be used for said increase;

By this same resolution, the Shareholders' Meeting also resolved to increase the share capital in exchange for cash payment, in a divisible manner, for up to Euro 22,798 (plus premium), in accordance with that to be established by the Board of Directors, by means of the issue of up to 222,200 shares with no nominal value and regular enjoyment, to be released in cash, fully, at the time of subscription, in one or more tranches and in a divisible fashion, with the exclusion of the option right in accordance with Art. 2441, fifth and eighth paragraph of the Italian Civil Code, insofar as reserved to employees, collaborators and executive directors of the Company or subsidiaries, beneficiaries of the “2018-2020 Stock Option Plan”, to be executed by 16 November 2022. At 31 December 2019, the company’s share capital corresponding to the shares to be assigned under the scope of said incentive plan:

	<b>2018</b>	<b>2019</b>
Directors	1,200.42 Euro	0
Employees	6,463.80 Euro	15,133.50 Euro
<b>Total</b>	<b>7,644.22 Euro</b>	<b>15,133.50 Euro</b>



On 23 July 2018, the Company's share capital went from Euro 566,961, equal to 5,403,330 ordinary shares, to Euro 573,861, equal to Euro 5,472,330 ordinary shares, following the exercise of 6,900 options of the 12,150 assigned to Company employees - equal to 69,000 options of the 121,500 options following the splitting to allow for admission of Alkemy shares onto the AIM - as part of the "2015 - 2018 Stock Option Plan" in response to the delegation conferred by the Company's extraordinary shareholders' meeting on 30 April 2014 and exercised by the Board of Directors on 18 February 2015.

#### Extraordinary shareholders' meeting of 25 June 2019

On 25 June 2019, the Extraordinary Shareholders Meeting resolved to attribute the faculty to the Board of Directors, in accordance with Art. 2443 of the Italian Civil Code, to increase the share capital in exchange for payment, on one or more occasions, by 25 June 2024, for up to Euro 10,000,000.00, including premium, by means of the issue of up to 800,000 ordinary shares, in respect of the option right in accordance with Art. 2441 of the Italian Civil Code, or with the exclusion of option rights in accordance with Art. 2441, paragraph 4 of the Italian Civil Code, with the conferral in kind of movable or immovable assets and conferring businesses, with the corporate object of the Company and its subsidiaries or connected with the digital sector, as well as assets and business complexes that can offer IT services in support of such businesses, and in accordance with Art. 2441, paragraph 5 of the Italian Civil Code (and Art. 2441, paragraph 4, second sentence of the Italian Civil Code, where applicable), insofar as to be reserved to potential industrial partners, in the context of transactions that are consistent with the Groups' growth strategy by external lines, and the faculty, in accordance with Art. 2420-ter of the Italian Civil Code, to issue bonds convertible into ordinary shares of the company, for the same period of time, to apply to the same maximum equivalent value and the same maximum number of new-issue shares as specified above and, therefore, for a maximum amount of Euro 10,000,000.00, together with the faculty to resolve the related increase in share capital for the purpose of the conversion, by means of the issue of up to 800,000 ordinary shares, in respect of the option rights in accordance with Art. 2441 of the Italian Civil Code or even with the exclusion of option rights in accordance with Art. 2441, paragraph 5 of the Italian Civil Code, insofar as to be reserved to potential industrial partners, in the context of transactions that are consistent with the Groups' growth strategy by external lines, all in compliance with all provisions of law applicable at the time the resolution is passed to increase the share capital and/or issue the convertible bonds. This delegation was not executed and was revoked by the Extraordinary Shareholders' Meeting held on April 26<sup>th</sup>, 2022.

#### Extraordinary shareholders' meeting of 26 April 2022

Extraordinary shareholders' meeting of 26 April 2022 resolved to attribute the faculty to the Board of Directors, in accordance with Art. 2443 of the Italian Civil Code, to increase the share capital in exchange for payment, on one or more occasions, by 25 April 2027, for up to Euro 30,000,000.00, including premium, by means of the issue of up to 1,428,000 ordinary shares, in respect of the option



right in accordance with Art. 2441 of the Italian Civil Code, or with the exclusion of option rights in accordance with Art. 2441, paragraph 4 of the Italian Civil Code, with the conferral in kind of movable or immovable assets and conferring businesses, with the corporate object of the Company and its subsidiaries or connected with the digital sector, as well as assets and business complexes that can offer IT services in support of such businesses, and in accordance with Art. 2441, paragraph 5 of the Italian Civil Code (and Art. 2441, paragraph 4, second sentence of the Italian Civil Code, where applicable), insofar as to be reserved to potential industrial partners, in the context of transactions that are consistent with the Groups' growth strategy by external lines, all in compliance with all provisions of law applicable at the time the resolution is passed to increase the share capital and/or issue the convertible.

At the date of this Report, this delegation had not yet been executed.

➤ **Purchase of Treasury Shares**

After the authorization to purchase of the Company's own shares granted on November 16<sup>th</sup>, 2017 and May 7<sup>th</sup>, 2019, on April 26<sup>th</sup>, 2021 the Company's ordinary shareholders' meeting resolved to authorise, in accordance with and pursuant to Art. 2357 et seq. of the Italian Civil Code, the purchase of the Company's own shares, according to the procedure described hereto.

The purchase may take place in one or multiple tranches and shall concern the ordinary shares in the Company, up to a total maximum amount such as for which, taking into account the ordinary shares in the Company portfolio held over time by the Company and its subsidiaries, the number of treasury shares shall not total more than 15% of the share capital (and in any case shall be less than that envisaged by Art. 2357, paragraph 3 of the Italian Civil Code, where applicable), without prejudice to the due accounting entries.

The purchase period shall be eighteen months with no limit in time to the disposal/use of the shares purchased.

Treasury shares may be purchased at a price that is no lower, at the minimum, than 20% and no higher, at the maximum, again than 20% the reference price that the security records in the trading session of the day before each individual transaction, without prejudice to cases where the shares are exchanged, conferred, assigned or otherwise disposed of not in cash, in which the economic terms of the transaction will be determined, in respect of current legislation according to the nature and characteristics of the transaction.

In any case, the price for the individual transaction cannot exceed the highest price of that of the last independent transaction and that of the current highest independent purchase offer in the trading session during which the purchase is made (even if the shares are traded in multiple trading sites) and in any case for a maximum equivalent value at all times of a total of Euro 250,000.



The daily volume of purchases shall not, under any circumstances, be more than 25% the average daily volume of shares during the trading session in which the purchase is made, determined according to applicable provisions.

The purchase may be made, in any case assuring equal treatment of shareholders, in the manner, to be chosen over time at the discretion of the Board of Directors, in any case in compliance with provisions of law and regulation in force, according to the market on which the Company's shares are listed, also in compliance with EU Regulation no. 596/2014 and the related implementing regulations, insofar as applicable, and "market practices" admitted by Consob, or in accordance with primary and secondary legislation in force and applicable over time, depending on the market on which the Company's shares are listed.

In execution of the above resolution, on 17 May 2021, the Issuer launched a treasury share buyback programme, with the aim of using the treasury shares purchased for the following purposes: (i) as an investment, for an efficient use of the liquid funds generated by the Company's core business and (ii) to assign to the beneficiaries of potential incentive plans, stock option plans and/or stock grants resolved by the competent corporate bodies; and (iii) under the scope of transactions linked to core management, i.e. projects consistent with the growth and expansion lines the Company intends to pursue in connection with which the share exchange opportunities shall take concrete form with the main aim of perfecting the corporate integration with potential strategic partners.

This Buy-Back Plan was executed through the following tranches:

- i. First Tranche: started on 17 May 2021 and ended on 27 May 2021, with the purchase of 35,000 treasury shares for a total equivalent value of Euro 454,787.53.
- ii. Second Tranche: started on 1 July 2021 and ended on 02 August 2021, with the purchase of 22,000 treasury shares for a total equivalent value of Euro 302,015.89.
- iii. Third Tranche: started on 30 March and ended on 20 April 2022, with the purchase of 7.000 azioni treasury shares for a total equivalent value of Euro 117,555.38.

In order to execute the Buy Back Plan, the Company has appointed Intesa San Paolo S.p.A. to operate as specialised intermediary.

For more information on the Buy-Back Plan, launched on 17 May 2021, reference is made to the Press Releases published by the Issuer starting that same date and available for consultation on the Company's website <https://www.alkemy.com/investors/#!/comunicati-price-sensitive>.

On April 26<sup>th</sup>, 2022, the Company's ordinary shareholders' meeting resolved to authorise, in accordance with and pursuant to Art. 2357 et seq. of the Italian Civil Code, the purchase of the Company's own shares, according to the procedure described hereto.

The purchase may take place in one or multiple tranches and shall concern the ordinary shares in the Company, up to a total maximum amount such as for which, taking into account the ordinary shares



in the Company portfolio held over time by the Company and its subsidiaries, the number of treasury shares shall not total more than 15% of the share capital (and in any case shall be less than that envisaged by Art. 2357, paragraph 3 of the Italian Civil Code, where applicable), without prejudice to the due accounting entries.

The purchase period shall be eighteen months with no limit in time to the disposal/use of the shares purchased.

Treasury shares may be purchased at a price that is no lower, at the minimum, than 20% and no higher, at the maximum, again than 20% the reference price that the security records in the trading session of the day before each individual transaction, without prejudice to cases where the shares are exchanged, conferred, assigned or otherwise disposed of not in cash, in which the economic terms of the transaction will be determined, in respect of current legislation according to the nature and characteristics of the transaction.

In any case, the price for the individual transaction cannot exceed the highest price of that of the last independent transaction and that of the current highest independent purchase offer in the trading session during which the purchase is made (even if the shares are traded in multiple trading sites) and in any case for a maximum equivalent value at all times of a total of Euro 250,000.

The daily volume of purchases shall not, under any circumstances, be more than 25% the average daily volume of shares during the trading session in which the purchase is made, determined according to applicable provisions.

The purchase may be made, in any case assuring equal treatment of shareholders, in the manner, to be chosen over time at the discretion of the Board of Directors, in any case in compliance with provisions of law and regulation in force, according to the market on which the Company's shares are listed, also in compliance with EU Regulation no. 596/2014 and the related implementing regulations, insofar as applicable, and "market practices" admitted by Consob, or in accordance with primary and secondary legislation in force and applicable over time, depending on the market on which the Company's shares are listed.

At the date of this Report, this delegation had not yet been executed.

Following the above purchases, and also considering the treasury shares already held in the portfolio, at the date of this Report, Alkemy has 150,864 treasury shares, equal to 2.65% of the share capital and 2.21% of the share capital with voting rights.

**j) Management and coordination activities (pursuant to Art. 2497, et seq., of the Italian Civil Code)**

The Company is not managed or coordinated pursuant to Art. 2497 et seq. of the Italian Civil Code.



The information required by Art. 123-bis, paragraph one, letter i) of the Consolidated Law on Finance (“*agreements between companies and their directors (...) that provide for remuneration in the case of their resignation or dismissal without just cause or if their relationship is discontinued following a takeover bid*”) is set out in the Report on Remuneration published pursuant to Art. 123-ter of the Consolidated Law on Finance, in the Corporate Governance/Shareholders Meeting/2023 of the website [www.alkemy.com](http://www.alkemy.com).

It is also stressed that the information required by Art. 123-bis, first paragraph, letter l) of the Consolidated Law on Finance (“*the rules applicable to the appointment and replacement of directors and to amendment of the articles of association, if different from the legislative and regulatory rules applicable in a supplementary manner*”) is described in the subsequent section of the Report dedicated to the Board of Directors (Section 4.2).

### **3. COMPLIANCE (ex art. 123-bis, comma 2, lettera a), TUF)**

The Issuer’s corporate governance system is compliant with the relevant provisions of the Consolidated Law on Finance, in the applicable regulatory provisions and in the Code of Corporate Governance available on the Corporate Governance Committee website on page <https://www.borsaitaliana.it/comitato-corporate-governance/codice/2020.pdf>.

The Company has not adopted or adhered to any codes of corporate governance other than that promoted by Borsa Italiana.

This Report aims to provide information about Alkemy’s corporate governance and the degree of adherence by the Company to the Code of Corporate Governance.

In compiling the Report, the Company made significant use of the format distributed by Borsa Italiana S.p.A. in January 2022 (edition IX), applying the principle “comply or explain”, which takes the form of the explanation of how each principle of the CG Code has been concretely applied, as well as, in the event of a discrepancy in respect of one or more specific recommendations, indicating, in particular (a) how the best practice recommended by the Code has been ignored; (b) the reasons for the difference; (c) how the decision to differ was taken within the Company; (d) if the discrepancy is limited in time, with the indication of the period starting from which the Company expects to apply the related best practice; (e) the description of any conduct adopted as an alternative to the best practice that was disregarded and the reason for which this choice achieved the objective underlying the Code principles and in any case contributes towards good corporate governance.

Neither the Company nor its subsidiaries of strategic relevance are subject to non-Italian provisions of law that impact the Alkemy Group Corporate Governance structure.



## 4. BOARD OF DIRECTORS

### 4.1. Role of the Board of Directors

The Board of Directors is the body in charge of managing the corporate business; it has the power and duty to direct and manage the company with the aim of pursuing its sustainable success, in application of Principle I of the Corporate Governance Code.

In compliance with statutory provisions and the Code of Corporate Governance, the Company acknowledges that the Board plays a key role in its governance system. In accordance with Art. 22 of the Articles of Association, in fact, the management of the company business lies exclusively with the Board of Directors, which has the most extensive powers to carry out all acts considered necessary or appropriate to the implementation of the company object.

In addition to the attributes due it in accordance with the law and the Articles of Association, the Board reserves to its exclusive competence all the most important economic and strategic decisions and those with considerable structural impact on operations or which are functional to the monitoring and guiding of the Company and the Group and creating sustainable value over the medium/long-term.

To this end, the Board resolves on the transactions necessary to implement the corporate object, save what is expressly reserved by the law or the Articles of Association to the Shareholders' Meeting.

In addition to exercising the powers assigned it by the law, the Board of Directors is also competent to resolve, in accordance with Art. 22.3 of the Articles of Association, on:

- (i) mergers and spin-offs in the cases envisaged by Articles 2505 and 2505-bis of the Italian Civil Code;
- (ii) the creation and closing of secondary branches;
- (iii) the reduction of capital in the event of the withdrawal of one or more shareholders;
- (iv) adaptations of the Articles of Association to bring them into line with provisions of law;
- (v) the transfer of registered office elsewhere within national territory; and
- (vi) the issue of convertible bonds or warrants following indirect procedures or when the conversion or option regards the Company's treasury shares or outstanding shares.

The following are also reserved to the exclusive competence of the Board of Directors:

- a. the adoption of the Company's rules of corporate governance and the definition of the Group's corporate governance guidelines;





- b. the definition of the strategic objectives with respect to which the Company has assessed the nature and level of risk compatible with them, with the support of the Control, Risks and Sustainability Committee and the Internal Audit Department;
- c. the approval and monitoring of the adequacy of the Company's organisational, administrative and general accounting structure and that of the subsidiaries of strategic relevance, with specific reference to the Risk Management and Internal Control System (RMICS) and the management of conflicts of interest (for a more detailed explanation, refer to Section 9 of this Report);
- d. the attribution and revocation of delegations on Chief Executive Officers, defining the relevant limits and exercise methods; the additional definition of the frequency, in any case no less than once a quarter, with which the delegated bodies are required to report back to the Board on the work carried out in the exercise of the delegations conferred upon them;
- e. the definition, on the basis of the proposals made by the Remuneration Committee, of the Company's Remuneration Policy in accordance with Art. 123-ter of the Consolidated Law on Finance;
- f. the determining, having examined the proposals made by the Remuneration Committee and heard the opinion of the Board of Auditors, of the Chief Executive Officers' remuneration and that of the other Directors assigned specific duties, as well as, where the Shareholders' Meeting has not so resolved, the sub-division of the total remuneration due to Board members;
- g. the evaluation of the general management trend, taking specific account of the information received by the appointed bodies, and comparing the results obtained with those forecast, from time to time;
- h. the examination and preventive approval of the Company's transactions and those of its subsidiaries, when these transactions have significant strategic, economic, equity or financial relevance to the Company, paying particularly close attention to situations where one or more Directors have a personal or third party interest, and, more generally, to related party transactions in accordance with the RPT Regulation and the procedures on related party transactions adopted by the Company in accordance with said regulation;
- i. the establishment and appointment of the Remuneration Committee and the Control, Risks and Sustainability Committee, as well as any other internal committees assigned an advisory and proactive role;
- j. the appointment and revocation of the Chief Financial Officer, having consulted with the Board of Auditors, in compliance with Art. 29 of the Articles of Association;
- k. the approval of the procedures and internal organisational measures envisaged by applicable rules of law and regulation and recommended by the Code of Corporate Governance (such as, merely by way of example, the Related Party Transactions Procedure, the Internal Procedure



for the management and holding of the Insider Register and the processing of confidential information and the Internal Dealing Procedure);

- l. the approval of related party transactions to which the Company and/or Alkemy Group companies are party, in accordance with the provisions of the law and regulations in force over time, as well as of the related party transactions procedures adopted by the Company in accordance with said regulation;
- m. the assumption, change and extinguishing of contracts with managers and key managers, in both cases reporting directly to the Chief Executive Officer;
- n. the approval of stock option plans and incentive plans in general, in accordance with the provisions of the law and regulations in force over time and in compliance with the Company's Remuneration Policy;
- o. the preparation, examination and approval of the budgets and strategic, industrial and financial plans of both the Company and the Group. More specifically, the Board of Directors is reserved the task of examining and approving the Group Business Plan, which the Company adopted, with reference to the three years 2021/2023, during the meeting held on 11 December 2020, on the basis of the analysis of the topics relevant to the generation of value in the long-term.
- p. the exercise of the delegation to increase the share capital conferred by the Ordinary Shareholders' Meeting and the implementation of treasury share buyback plans approved by the Shareholders' Meeting, as envisaged under Section 2, Paragraph i) above;
- q. the evaluation of the suitability of the general organisational, administrative and accounting structure of the Company and its subsidiaries having strategic relevance, with particular reference to the internal audit and risk management system;
- r. the assessment of the size, members and function of the Board and its Committees, also in consideration of elements such as professional characteristics, experience, including managerial experience, and the gender of its members, as well as their seniority in office and also in relation to any diversity criteria as may be adopted;
- s. the task of reporting back to the Shareholders in their Meeting; of providing information, in the Corporate Governance Report, amongst others, on the members, activities, self-assessment process and implementation of diversity criteria;
- t. at the end of each year, prepares a calendar of corporate events for the following year;
- u. takes ultimate responsibility for the function and effectiveness of the Organisation, Management and Control Model pursuant to Italian Legislative Decree no. 231/2001;
- v. the exercise of a steering function on the definition of the ESG policy, as well as the supervision of the integration process of ESG factors in management strategies. During the meeting held



on 12 July 2022, the Board of Directors established the Sustainability Function, aimed at structuring a governance system able to ensure the presidium of the ESG subject matters, as well as implement the relevant internal procedures and an adequate control, monitoring, and KPI and ESG targets testing system. It is also reserved to the Board of Directors the approval of the consolidated non-financial disclosure drafted according to Legislative Decree no. 254/2016.

With reference to letter g), in adhering to Recommendation 1, letter b) of the Corporate Governance Code, the Board of Directors has assessed and constantly monitored the general performance of management, comparing the results achieved from time to time with those expected on the basis of the Company's strategic, business and financial plans, taking into account the information supplied by the Chief Executive Officer, in particular during the meetings held on 11 February, 13 May, 13 September and 14 November 2022.

The Board of Directors is also responsible for resolving on the Issuer's and its subsidiaries' transactions when such transactions are significant with respect to the Issuer's strategies, results, equity or financial position. The Board of Directors has not considered it necessary to preventively establish general criteria for identifying transactions that are significant in economic, equity or financial terms for the Company and its subsidiaries, instead preferring to assess this each time on the basis of the information received from the Executive Directors.

The Company has defined its own corporate governance system, which adopts a traditional administration and auditing system, as per Articles 2380-*bis et seq.* of the Italian Civil Code, is characterised by the presence of the following corporate bodies:

- (i) the Board of Directors, appointed to guide and direct the Company;
- (ii) the Board of Auditors, appointed to monitor: (i) observance of the law and the Articles of Association and compliance with principles of correct administration; (ii) the adequacy of the internal control system and the administrative-accounting system, as well as the latter's reliability in terms of providing a correct representation of the operating events; (iii) the concrete implementation of the rules of corporate governance set out in the Code of Corporate Governance; (iv) the adequacy of the instructions given to subsidiaries in connection with the obligations regarding the communication of inside information; and (v) the financial disclosure process, the effectiveness of the internal control systems, internal audit and risk management, the statutory audit of the annual accounts and consolidated accounts and the independence of the independent auditing firm;
- (iii) a Control, Risks and Sustainability Committee with an advisory and investigative role in connection with the decisions by the Board of Directors on the Internal Control and Risk Management System, with the approval of the regular financial reports and offering advice and suggestions in assessments and decisions relating to sustainability and with advisory powers on



transactions with related parties and associates and in regard to the Board of Auditors, on the statutory audit of the accounts, in compliance with the provisions of Italian Legislative Decree no. 39 of 27 January 2010;

- (iv) a Remuneration Committee with an advisory and proactive role in connection with the decisions of the Board of Directors on the remuneration of executive directors and any other directors assigned specific duties, after consulting with the Board of Auditors on the setting of performance objectives correlated with the potential variable component of said remuneration Committee and the general criteria of remuneration Committee and incentives proposed for all employees and, in particular, for managers and top management, by the chief executive officers, and on the remuneration policy and its correct, adequate implementation;
- (v) the Shareholders' Meeting, competent to resolve on matters reserved to it by the law or the Articles of Association.

The above-described corporate governance system has been considered adequate and functional to the business needs. Therefore, during the Financial Year, the Company did not hold it necessary to submit any proposals to the Shareholders' Meeting to adopt and define changes to the corporate governance structure.

In order to assure the correct management of corporate information, during the meeting held on 19 July 2019, the Board of Directors adopted the Inside Information Procedure and established the Insider Register. For more information on the processing of corporate information, refer to Section 5 of this Report.

The reference made in Recommendation 3 of the Corporate Governance Code, aimed at promoting dialogue with all shareholders, is fully shared by the Company, which, assessed through the internal departments interested therein, was approved by the Board of Directors during the meeting held on 4 March 2022. For detailed information, refer to Section 12 of this Report.

For the additional tasks assigned to the Board of Directors, in respect of its members, function, appointment and self-assessment, remuneration policy and internal control and risk management system, reference is made to the specific Sections of this Report dedicated to such topics.

#### **4.2. Appointment and replacement of directors (pursuant to Art. 123-bis, paragraph 1, letter l), part one of the Consolidated Law on Finance)**

In accordance with Article 19 of the Articles of Association, the Company can be administered by a Board of Directors numbering between 5 (five) and 9 (nine) members, determined with resolution of the ordinary shareholders' meeting at the time of appointing the Board of Directors or amended with subsequent resolution.



Directors remain in office for a period of time established by the Shareholders' Meeting of no more than three financial years, standing down from office on the date of the shareholders' meeting convened to approve the financial statements relating to the previous year of their office; they may be re-elected.

All directors must satisfy the eligibility, professionalism and integrity requirements set by the applicable regulatory provisions. At least one director (or two directors if the board numbers more than seven members) must meet the independence requirements laid down by Article 147-ter, paragraph 4 of the Consolidated Law on Finance (the “**Independence Requirements**”).

This is without prejudice to the provisions of the Regulation of Markets organised and managed by Borsa Italiana S.p.A. and the related Instructions on the adequacy of the number of Directors meeting the Independence Requirements for issuers, such as the Company, with STAR qualification. More specifically, in application of Art. IA.2.10.6 of the Instructions for the Regulation of the Markets organised and managed by Borsa Italiana S.p.A., the number of independent directors must be at least 2 for Boards of Directors comprising up to 8 members; at least 3 for Boards of Directors numbering between 9 and 14 members; and at least 4 for Boards of Directors numbering more than 14 members.

The Board of Directors is appointed by the ordinary shareholders' meeting based on the lists presented by the shareholders, according to the procedure specified in Art. 19 of the Articles of Association and unless otherwise or further required by mandatory legal or regulatory provisions.

The following can present a list for the appointment of directors: (i) shareholders that, at the time of list submission, hold, alone or jointly, at least the portion of shares determined by Consob in accordance with applicable provisions of law and regulations; and (ii) the Board of Directors.

By Managerial Resolution no. 76 passed on 30 January 2023, Consob determined, in accordance with Art. 144-*quater* of the Consob Issuers' Regulation, that the stake required for the presentation of the lists to the ordinary shareholders' meeting of Alkemy, is equal to 4.5%.

Each list:

- (i) must contain a number of candidates not exceeding 9 (nine), listed according to progressive numbering;
- (ii) must contain and expressly indicate at least one director who meets the Independence Requirements, without prejudice to the fact that if the list contains more than 7 (seven) candidates, it must specify at least two directors meeting these requirements;
- (iii) for the period of application of legislation and regulations in force *pro tempore* on gender balance, where 3 (three) or more candidates are listed, the list must include candidates of both genders, at least in the minimum proportion called for by provisions of law and regulations in force *pro tempore*, as specified in the notice convening the shareholders' meeting.



Additionally, the following must be attached to each list:

- (a) the CVs of candidates;
- (b) the declarations whereby each candidate accepts their candidacy and certifies, at their own responsibility, that there is no reason why they should be ineligible or incompatible and that the requirements are met as prescribed by current legislation to hold the office of Company director, including the declaration of the possession of independence requirements;
- (c) the indication of the identity of the shareholders presenting the lists and the total percentage investment share held;
- (d) any other declaration, information and/or document provided by applicable legislation and regulations.

Shareholders other than those individually or jointly holding a control or relative majority share must also submit a declaration attesting to the absence of relations with the latter, as envisaged by the law.

Any list submitted by the Board of Directors must: (i) be deposited and published in the manner envisaged by regulations applicable to the lists submitted by shareholders, by the thirtieth day prior to the date of the Shareholders' Meeting at first or only call, without prejudice to the terms of the law for the deposit regarding calls subsequent to the first, and must be made available to the public in accordance with the provisions of law in force *pro tempore* of the shareholders' lists; and (ii) meet, *mutatis mutandis*, the requirements laid down for the submission of lists by shareholders.

Each shareholder, as well as the shareholders belonging to a same corporate group and the shareholders participating in a relevant shareholders' agreement pursuant to Article 122 of the Consolidated Law on Finance may not present or contribute to presenting, not even via proxy or a trust company, more than one list or vote for different lists. Each person with voting rights may vote for one list only. The vote of each shareholder will concern the list and hence all the candidates appearing in the list, without any provision for modifications or exclusions. Any votes expressed in violation of this prohibition will not be attributed to any of the lists.

Each candidate may be present in only one list, at risk of ineligibility.

A list that fails to fulfil the foregoing requirements is considered as though it had never been submitted.

- A) If two or more lists have been presented, these are voted on and the Board of Directors is formed based on the provisions below:
  - 1. candidates from the two lists with the highest number of votes will be elected, according to the following criteria: (i) from the list that obtained the highest number of votes (the “**Majority List**”), a number of directors are taken, according to the progressive order of presentation, equal to the total number of components to be elected minus one; (ii) from the second list that obtained



the highest number of votes and that is not connected, not even indirectly, with the shareholders who submitted, or with those who voted for, the Majority List (the “**Minority List**”), a director is taken, in the person of the candidate indicated with the first number in the same list.

2. In accordance with Art. 19.13.2 of the Articles of Association, no account is taken of the lists that did not obtain a number of votes at least equal to half the number of shares corresponding to the portion requested for the submission of the lists.
3. In the event of a tie of votes among the lists, the meeting votes once again, exclusively with regard to the tied lists, with the list that obtains the highest number of votes prevailing;
4. If, with the methods specified above, the provisions on Independence Requirements are not met, any candidate not meeting the Independence Requirements elected last in progressive order from the list that had obtained the most votes, will be replaced by the first candidate meeting the Independence Requirements not elected from the same list, in progressive order.

Finally, if said procedure does not assure the presence of the necessary number of Director meeting the Independence Requirements, the replacement will take place by resolution passed by the Shareholders' Meeting by majority vote, after the submission of candidacies of subjects meeting the Independence Requirements.

5. If, with the methods specified above, the provisions with regard to gender balance established above are not met, the candidates of the most represented gender, elected as the last one in progressive order, from the Majority List are replaced with the first unelected candidates, taken from the same list, from the other gender; if this forming procedure cannot be implemented, in order to guarantee compliance with the above provisions in force from time to time with regard to gender balance, the missing directors will be elected by the meeting with the ordinary majorities and methods, without applying the list voting mechanism.
- B) If a single list was submitted, the shareholders' meeting votes on it and, if it obtains the majority of votes, all members of the Board of Directors are drawn from that list, in compliance with provisions of the law and regulations in force *pro tempore* over time, and the provisions on gender balance set out above.
- C) If no list has been presented or if only one has been presented and this does not obtain the majority of the votes or if the number of the directors elected on the basis of the presented lists is lower than the number of the members to be elected or if not the entire Board of Directors needs to be renewed or if it is not possible, for whatever reason, to appoint the Board of Directors with the methods set forth in this Article, the members of the Board of Directors are appointed by the meeting with the ordinary majorities and methods, without applying the list voting mechanism, notwithstanding the minimum number of directors who meet the Independence requirements and the compliance with the provisions on gender balance.



The candidate potentially indicated as such on the list that obtained the most votes, or on the only list submitted, shall be elected as Chairman of the Board of Directors. For lack thereof, the chairman is appointed by the shareholders' meeting with the ordinary legal majorities, without prejudice to the fact that the Board of Directors can appoint its Chairman, itself.

If, during the year, one or more directors should cease office, as long as the majority continues to be directors appointed by the Shareholders' Meeting, as per Article 2386 of the Italian Civil Code, the Board of Directors will proceed with the replacement with another member of the same list to which the director who has resigned belonged, meeting the same requirements as those of the directors who have ceased office and the Shareholders' Meeting shall resolve with the legal majorities, respecting this criterion.

If no candidates should remain on said list, not previously elected, or no candidates meeting the necessary requirements or in any case when, for any reason, it is not possible to use the names on the list to which the directors who have resigned belonged, the Board of Directors shall organise the replacement, and subsequently ruled by the Shareholders' Meeting, with the legal majorities and without list voting.

In any case, the Board and, subsequently, the Shareholders' Meeting shall proceed with the appointment so as to ensure (i) the presence of Independent Directors in the minimum total number required by the currently applicable regulation and (ii) compliance with the currently applicable regulation in the matter of balanced proportion of genders.

The Shareholders' Meeting may, however, resolve to reduce the number of Board members to that of the directors in office for the residual term of their mandate, without prejudice to the need to assure a suitable number of independent directors and respect for regulations in force over time regarding gender balance.

The loss of the Independence Requirements by the director shall only involve his resigning from office, pursuant to Article 147-ter, paragraph 4 of the Consolidated Law on Finance, if this should cause the minimum number of directors who meet the Independence requirements, as set by the provision, not to be reached.

For information on the role of the Board of Directors and Board Committees in the processes of self-assessment, appointment and succession of Directors, please refer to Section 7 of this Report.

#### **4.3. Members (pursuant to Art. 123-bis, paragraph 2, letter d) of the Consolidated Law on Finance)**

The Board in office at this Report date was appointed by the Shareholders' Meeting on 26 April 2022, on the basis of the submission of a single list, and will remain in office for three financial years, i.e. until the date of the shareholders' meeting called to approve the Financial Statements for the year ended at 31 December 2024.





Directors were drawn entirely from the sole list submitted during said Shareholders' Meeting, submitted by the shareholders Duccio Vitali, Riccardo Cesare Lorenzini, Lappentrop S.r.l. and Jakala Holding S.p.A., which at the time held a total of 20.52% of the share capital and 33.21% of the voting rights.

Tra la data di chiusura dell'Esercizio e la data della presente Relazione non sono intervenute modifiche nella composizione del Consiglio di Amministrazione, che è pertanto composto come segue:

<i>Office</i>	<i>Name and surname</i>
Chairman (2)	Alessandro Mattiacci
Chief Executive Officer (2)	Duccio Vitali
Director (3)	Riccardo Cesare Lorenzini
Director (2)	Massimo Canturi
Director (1)(3)	Giulia Bianchi Frangipane
Director (1)(3)	Serenella Sala
Director (1)(3)	Ada Ester Giovanna Villa

(1) meeting the independence requirements in accordance with the combined provisions of Art. 147, paragraph 4 and Art. 148, paragraph 3 of the Consolidated Law on Finance and Recommendation 9 of the Corporate Governance Code;

(2) executive director;

(3) non-executive director;

According to the Articles of Association, the Board of Directors has appointed Alessandro Mattiacci as Executive Chairman and Duccio Vitali as Chief Executive Officer.

On 26 April 2022, the Board of Directors assessed the existence of the independence requirements envisaged by Art. 147-ter, paragraph 4 of the Consolidated Law on Finance (which recalls Art. 148, paragraph 3 of the Consolidated Law on Finance) and Recommendation 9 of the Corporate Governance Code of Independent Directors Giulia Bianchi Frangipane, Serenella Sala and Ada Ester Giovanna Villa, disclosing this information to the market on the same date. The Board of Directors also assessed the possession of the requirements provided by law and regulations with reference to all the Directors.



No member of the Board of Directors was a family relation, in accordance with Art. 144-ter of the Issuers' Regulation, of the other members of the Issuer's Board of Directors, of the members of the Board of Auditors or the main Company managers.

All members of the Board of Directors have formally accepted their office and are domiciled for the purpose at the Issuer's registered office.

A brief curriculum vitae of each director is provided below, showing the skills and experience obtained in company management.

**Alessandro Mattiacci** – University graduate in Economics. Founder and CEO of iResearch S.p.A., a start-up operating in the digital sector and, in particular, focussed on the development of on-line research systems. For seven years, he was also VP Strategic Development at Jakala Holding S.p.A. and since 2012, CEO of Jakala eBusiness.

Alessandro Mattiacci has been a member of the Alkemy Board of Directors since 18 May 2012 and an executive director of Alkemy since 2012. On 03 May 2018, he was appointed Chairman of the Board of Directors after the resignation from the office of Chairman tendered by Riccardo Lorenzini.

**Duccio Vitali** – Graduated in Engineering from Milan Polytechnic University. He achieved a masters in business administration (MBA) from the Commercial Luigi Bocconi University of Milan. For ten years, he provided professional consultancy at *Bain&Co*, as partner in the Technology, Media & Telecommunication area for the Milan, Dallas and Dubai offices. He is also a visiting professor at the Commercial Luigi Bocconi University on matters relating to the digital sector.

Duccio Vitali has been a member of the Alkemy Board of Directors since 18 May 2012 and a Chief Executive Officer of Alkemy since 2012; he still holds this role at the date of this Report.

**Riccardo Cesare Lorenzini** – He has been working for almost forty years as a professional in advertising and communication. From 1979 to 1994, he worked for *Saatchi & Saatchi*, from 1992 to 1994 holding the office of Chief Executive Officer. He was then Chief Executive Officer for *Lowe Pirella Goettsche* from 1994 to 1997 and, at the same time, member of the European Board of Directors of the Lowe Group. Co-founder and CEO of the D'Adda, Lorenzini, Vigorelli agency in 1997, his appointment ended in 2008. From 2005 to 2008, he was also a member of the Worldwide Board of Directors of BBDO Worldwide, one of the world's largest networks of advertising agencies, a member of the Omnicom Group. He is one of the founding members and, from 2012 until 03 May 2018, was Chairman of Alkemy S.p.A.

Riccardo Lorenzini has been a member of the Alkemy Board since 18 May 2012. At the date of this Report, he is a non-executive director of Alkemy.

**Massimo Canturi** – Dopo la laurea in Ingegneria Chimica conseguita nel 1983 presso il Politecnico di Torino, la sua carriera professionale è iniziata nella Marconi PLC, una multinazionale britannica di apparecchiature Telco dove ha ricoperto diverse posizioni, lasciando la società da Direttore delle



operations. Nel proseguo della sua carriera, Massimo Canturi ha continuato a sviluppare le proprie conoscenze ed esperienza nel settore delle telecomunicazioni e ICT, ricoprendo in particolare i seguenti ruoli: Senior Director di Cisco Systems; Senior VP presso Pirelli Optical Systems. Inoltre, Canturi è stato Amministratore Delegato di Olivetti I-Jet e Vicepresidente esecutivo di Olivetti Tecnost Divisione Prodotti per Ufficio. Ha anche lavorato per Italtel nel ruolo di Vicepresidente esecutivo e ha ricoperto per 8 anni la carica di Amministratore Delegato di Comdata S.p.A., società nella quale riveste ad oggi il ruolo di Presidente del Consiglio di Amministrazione e CEO Italia.

Massimo Canturi è membro del Consiglio di Alkemy dal 23 luglio 2020. Alla data della presente Relazione è amministratore esecutivo di Alkemy.

**Massimo Canturi** - After graduating in Chemical Engineering in 1983 from the Polytechnic University of Turin, his professional career began in Marconi PLC, a British multinational of telecommunications equipment, where he held various positions, leaving the company as Operations Director. As his career continued, Massimo Canturi continued to develop his knowledge and experience in TLC and ICT, in particular holding the following positions: Senior Director of Cisco Systems; Senior VP for Pirelli Optical Systems. In addition, Mr Canturi was Chief Executive Officer of Olivetti I-Jet and Deputy Executive Chairman of Olivetti Tecnost Office Products Division. He also worked for Italtel as Executive Deputy Chairman and held for 8 years the position of CEO of Comdata S.p.A., company for which he currently holds the position of Chairman of the Board of Directors and CEO Italy.

**Giulia Bianchi Frangipane** – She graduated in Law from the University of Bologna in 2001 and then continued her studies at Fordham University of New York, achieving an LLM in 2004. After a first experience with a leading Italia law firm, in 2005 she began collaborating with the Bonelli Errede law firm, becoming a partner in 2016. She has experience in various sectors of corporate law, including private equity, capital markets, M&A and extraordinary finance transactions. She is also a member of the dedicated “Innovation and Digital Transformation” focus team of the Bonelli Errede firm.

Giulia Bianchi Frangipane has been a member of the Alkemy Board since 25 June 2019. at the Report Date, she is a member of the Board of Directors and of the Remuneration Committee and Control, Risks and Sustainability Committee.

**Serenella Sala** – She graduated in Physics in 1986 and thereafter gained a masters in business administration from Bocconi University. Right after graduating, she went to Max-Planck Institut di Mainz (Germany) to carry out chemical-physical research. She then continued her professional career with IBM Italia and Mckinsey & co., where she held the role of Engagement Manager in the area of strategic organisational consultancy. From 1994 to 2015, she collaborated with other companies in the consulting and strategic development sector, before, in 2015, founding Serenella Sala & Associates, a consultancy firm focused on executive development, team coaching and personal counselling.



Serenella Sala has been a member of the Alkemy Board since 25 June 2019. At the Report Date, she is a member of the Risk Control and Sustainability Committee and of the Remuneration Committee (which she also chairs).

**Ada Ester Giovanna Villa** – She graduated in Law from the University of Milan in 2002 and then, in 2010, continued her studies at Fordham University of New York, achieving an LL.M. in Corporate Finance and Banking Law. She worked for primary international law firms, and she is currently Partner at Avvocati di Impresa Studio Legale, where she specializes in corporate governance, M&A and negotiation of commercial agreements. She sits on several boards of directors and is member of supervisory bodies of listed companies.

Ada Villa has been a member of the Alkemy Board since 26 April 2022. At the Report Date, she is a member of the Risk Control and Sustainability Committee, which she also chairs.

Details of the Board members are given in Table 2 of the appendix.

### **Diversity criteria and policies**

In line with the provisions set out by the Code of Corporate Governance previously in force and the related comments and application criteria, as well as in compliance with Art. 147-ter, paragraph 1-ter of the Consolidated Law on Finance, the Company has already implemented the diversity, including gender diversity, criteria in the members of the Board of Directors during previous years.

In this regard, today's Board numbers 7 members and the less represented gender is female, with 3 directors, in line with the requirements set out by Art. 147-ter, paragraph 4 of the Consolidated Law on Finance and with Recommendation 8 of the Corporate Governance Code.

As regards the diversity policies envisaged by Art. 123-bis, paragraph 2, letter d-bis) of the Consolidated Law on Finance, it is noted that on 22 March 2022 the Board of Directors adopted a diversity policy in connection with the members of the administrative, management and control bodies, in relation with aspects such as age, gender composition and professional and educational background, aimed at ensuring an effective and functional fulfillment of the duties and responsibilities of the Board of Directors, taking also into account the nature and the complexity of the Company's business, as well as the fundamental principles that are the basis of the Company's philosophy.

The objective of the diversity policy adopted by the Company is to enhance the different points of view and skills of the members of the corporate bodies in order to improve the effectiveness of the Board of Directors' decision-making process and promote informed and constructive dialogue.

The balance in the members of the administrative body is also promoted by the list voting mechanism envisaged by the Articles of Association, which assures a transparent appointment procedure.



More specifically, with reference to gender balance, the Articles of Association envisages that, amongst other aspects, each list, for the period of application of legislation and regulations in force *pro tempore* on gender balance, where 3 (three) or more candidates are listed, the list must include candidates of both genders, at least in the minimum proportion called for by provisions of law and regulations in force *pro tempore*, as specified in the notice convening the shareholders' meeting. Additionally, in accordance with Art. 19.13, if, through the “list voting” mechanism, for the appointment of the members of the Board of Directors, the provisions on gender balance specified above should not be respected, the candidates of the more represented gender elected last in progressive order from the Majority List, shall be replaced with the first non-elected candidates, drawn from the same list, of the other gender; if this is not possible, in order to guarantee compliance with the above provisions on gender balance, the missing directors will be elected by the shareholders' meeting by ordinary majority vote, with no application of the list voting mechanism. Provisions on gender balance must be respected by the Shareholders' Meeting, even if it is not possible to proceed with the list voting mechanism.

The above statutory provisions are therefore compliant with Article 147-ter, paragraph 1-ter of the Consolidated Law on Finance on gender balance.

Italian Law no. 160 of 27 December 2019 (the “**2020 Budget Law**”) has modified the provisions pursuant to Articles 147-ter and 148 of Italian Legislative Decree no. 58/98 (Consolidated Law on Finance) and replaced paragraph 1, Art. 1 of Italian Law no. 120/2011 on the balance of gender in the bodies of listed companies, with effect from 1 January 2020. More specifically, the 2020 Budget Law envisaged a different portion reserved to the less represented gender, of “at least two fifths”, and ruled that this allocation shall apply for “six consecutive mandates”, with an exception limited to newly-listed companies for the first renewal upon listing.

For the Company, therefore, it is established that “for the first renewal after the trading start date”, the percentage to be reserved to the less represented gender shall be “at least one fifth” of the members, two fifth for the following renewals.

Thus said, in respect of gender balance in the Board of Directors, it is also reported that the members of the Board of Directors respect the diversity criteria pursuant to Principles VI and VII and Recommendation 8 of the Corporate Governance Code.

Indeed, the Board is made up of executive and non-executive directors, all with suitable, diversified competence and professionalism, who contribute their specific experience to the board discussions. The Board members are, in fact, suitably diversified, with the presence of individuals of different genders, ages and with a balance of complementary skills, training and experience.

In terms of personal details, moreover, the Board of Directors consists of members of different generations, aged between 46 and 66. The average age is approximately 55 years old. In terms of seniority of appointment, some members of the Board and, in particular the CEO Duccio Vitali, the



Chairman Alessandro Mattiacci and Riccardo Lorenzini have been Board members since 18 May 2012.

The Directors Massimo Canturi, Giulia Bianchi Frangipane, Serenella Sala e Ada Villa were appointed later, precisely in order to enrich and diversify the professional skills and genders of the Board, in compliance with that required by current regulations and the Code of Conduct in force.

The Company adopts measures to promote equal treatment and opportunities between genders within the entire company organization, right from the recruiting stages: for a more detailed illustration, see the Paragraph “Diversity and Inclusion” of the Consolidated Non-financial Statement 2022 of Alkemy S.p.A., published on the website [www.alkemy.com](http://www.alkemy.com) in the Corporate Governance/Shareholders Meeting / 2023 section.

### **Maximum number of offices held in other companies**

Although Recommendation 15 of the Corporate Governance Code requires the Board to provide guidance on the maximum number of appointments in administrative and control bodies in other listed companies only where the companies are classified as “large”, the Board of Directors has in any case deemed it appropriate to define the general criteria relating to the limit of engagements in the Board of Directors Regulation (an explanation of which is given in Section 4.4 below).

More specifically, each candidate to the position of Director shall first assess, at the time of accepting the role in the Company and in order to maintain it, the possibility of dedicate the necessary time to assure the diligent conduct of the tasks assigned, taking into account the commitment connected with his work and the total number of directorships or auditor engagements held in other companies listed on regulated markets, both in Italy and abroad, or in companies of considerable size, also in light of participation in Committees.

Each member of the Board of Directors is also required to inform the Board promptly of any acceptance of offices as Director or Auditor in other companies, so as to allow for the fulfilment of disclosure obligations laid down by applicable laws and regulations.

In assessing each subjective position, to be held in the Company’s interests, the Board must take into account the concrete circumstances and professional, managerial and entrepreneurial commitments (not limited to holders of positions) of the individual Director. Without prejudice to the foregoing, the Board believes that the number of additional appointments as director or auditor that is compatible with an effective pursuit of the engagement of non-executive Director of the Company should not, as a rule exceed 4 (four) in Significant Companies.

The Chief Executive Officer may not hold - in addition to that held in the Company - any executive appointment nor more than 2 (two) non-executive appointments in Significant Companies.



The Chairman and/or other executive directors of the Company - other than the Chief Executive Officer - may not hold - in addition to that held in the Company - more than 3 (three) engagements (of which at most 1 (one) executive) in Significant Companies.

When calculating appointments, no consideration shall be given to those held in the Alkemy Group.

The Board may allow, on a subjective basis and following case-by-case assessment, seeking the opinion of the competent Committee, for derogations to the limit to engagements. In addition, the competent Committee may also preventively examine and submit additional proposals.

#### **4.4. Operation of the Board of Directors (pursuant to Art. 123-bis, paragraph 2, letter d) of the Consolidated Law on Finance)**

In application of Recommendation 11 of the CG Code, on 13 September 2021, the Board of Directors approved the regulation governing board meetings (the “Board of Directors Regulation”), which lays down rules relative, in particular, to:

- i. specific limits to the number of cumulative engagements possible for each director (an explanation of which is given in Section 4.3);
- ii. specification of the activities - over and above those envisaged by the law and the Articles of Association - reserved to the Board of Directors, as mainly indicated in Recommendation 1 of the CG Code and explained in Section 4.1 of this Report;
- iii. the introduction of specific criteria to assess the independence of Independent Directors (laid down in Section 4.7);
- iv. specific duties of the Chairman, such as, for example, three-year preparation of a board review;
- v. specific rules on the operation of the Board of Directors, on the management of information flows and pre-board disclosures (as will be explained further on in this Section).

If the shareholders' meeting fails to do so, the Board shall elect, from amongst its members, and for the same term as the Board of Directors, a Chairman and potentially a Deputy Chairman, to act as Chairman with the same powers in the event of the Chairman's absence or impediment.

In case of absence or impediment of the Chairman, the board meeting is chaired by the Deputy Chairman, if appointed; in case of absence of the latter, by the most elderly Chief Executive Officer in attendance at the board meeting, and, in case of absence of the latter, by the most senior director.

The Company is represented by the Chairman of the Board of Directors and, if absence or otherwise engaged, by the Deputy Chairman, if appointed, and up to the limits of the management power



delegated over time, by each Chief Executive Officer, the Chairman of the Executive Committee and the directors to whom certain acts or categories of acts or duties have been delegated.

The power of representation also lies with the General Manager, where appointed, and any other commercial representatives, in accordance with the law, and with any third parties on whom proxies have been conferred for certain acts or categories of acts.

The Board of Directors can meet at the Company's offices or elsewhere, as long as within the European Union, in Switzerland or in the United Kingdom and is convened by the Chairman each time he deems it appropriate or whenever a request is made to this end by at least two of its members.

In case of absence or impediment of the Chairman, the Board is convened by the Deputy Chairman, if appointed; in case of absence of the latter, by the most elderly Chief Executive Officer.

The power to convene the Board of Directors is also given, pursuant to Article 151 of the Consolidated Law on Finance, to the board of auditors or also individually to each regular auditor.

The resolutions of the Board of Directors are passed at the presence of the majority of the directors in office, with the favorable vote of the majority of the directors in attendance. If votes are equal, the vote of the chair shall prevail.

The meeting of the Board of Directors is called via notice, to be sent by letter, telegram, fax or e-mail with proof of receipt, to the domicile of each Director and Regular Auditor at least three days before the day scheduled for the meeting. In urgent cases, the Board may be convened the day before the day scheduled for the meeting.

As a rule, on the invitation of the Chairman, the Company's Chief Financial Officer attends the meetings of the Board of Directors, as well as the Legal Area Manager and the Company's external legal consultants or the Managing Directors of the various Issuer's business units, in connection with extraordinary or ordinary transactions requiring their operative involvement for completion.

The Secretary will take minutes of Board of Directors' meetings. The draft minutes are submitted to the Chairman and Chief Executive Officer for any observations and the reports are approved during the following Board meeting, where possible, gathering any requests for change made by the Directors.

Minutes are signed by the person chairing them and by the secretary and are kept by the Secretary.

The promptness and completeness of the pre-board information is guaranteed by means of the involvement of the competent corporate duties that prepare and coordinate the documentation as necessary for the specific items on the agenda, with the support of the consultants appointed by the Company and in respect of the deadline of 3 days prior to the meeting, envisaged by Art. 21.4 of the Articles of Association for the convening of the Board; this deadline is respected in almost all cases.





In urgent cases, the documents are made available as soon as possible and in any case before the start of the board meeting. Where, in specific cases, it is not possible to provide the necessary information well in advance, with the help of the Secretary, the Chairman shall ensure that adequate and timely information is provided during Board sessions.

Support documentation for Board meetings is submitted to each Director and standing member of the Board of Auditors, in a manner that can guarantee suitable confidentiality of such information. Supporting documentation is prepared by the competent company department.

In application of the Board of Directors Regulation adopted by the Company, Directors receive an adequate flow of information coordinated by the Chairman with the support of the Secretary, functional to the correct exercise of the competences and responsibilities of the administrative body. This information flow regards not only the matters for discussion by the Board but also the update of the determinations passed as a board, any significant correspondence exchanged between the Company and Consob and/or other public authorities.

During the Financial Year, 9 (nine) meetings of the Board of Directors were held (with an average duration of more than 1 hour). Attendance of meetings by all directors was 30%, while the Board of Statutory Auditors in its entirety attended all the meetings.

For more information on attendance of meetings of the Board of Directors by individual Directors, refer to Table 2 of this Report.

At this Report Date, 3 (three) Board meetings had already been held and at least 5 (five) meetings were envisaged for 2023 (one of which is that held at the date of this Report), as per the Corporate Events Calendar published on the Company's website [www.alkemy.com](http://www.alkemy.com) in the Investor Relations section.

Board meetings are generally held as follows: the Chairman opens the meeting with the verification of the physical attendance or attendance by conference call, of the members of the Board of Directors and the Board of Auditors. The agenda is then read out and an extensive, articulated presentation given of the individual items for discussion. Once all the relevant formalities have been fulfilled, the meeting is adjourned, specifying the time and signing the attendance sheet.

It should be noted that in view of the epidemiological emergency that affected the Financial Year, to protect the health of the directors, secretary and auditors, meetings were mainly held using electronic communication means.

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

In accordance with Art. 20 of the Articles of Association, if the shareholders' meeting fails to do so, the Board shall elect, from amongst its members, and for the same term as the Board of Directors, a



Chairman and potentially one or more Deputy Chairmen to act in lieu of the Chairman in the event of his absence or impediment.

In addition to the powers envisaged by the law and the Articles of Association and without prejudice to any powers attributed to it by board resolution, the Chairman of the Board ensures that the pre-board meeting disclosure and additional information supplied is suitable to allowing Directors to act in an informed manner in going about their duties, as well as for the Committee works to be coordinated with those of the Board.

D'intesa con l'Amministratore delegato, verifica che il *top management* della Società ed eventualmente gli amministratori delegati delle società del Gruppo Alkemy, nonché soggetti o consulenti esterni alla Società, intervengano alle riunioni consiliari, anche su richiesta di singoli Consiglieri, per fornire gli opportuni approfondimenti sugli argomenti posti all'ordine del giorno. Si precisa che nel corso dell'Esercizio è intervenuto regolarmente alle riunioni del Consiglio il CFO del Gruppo.

By agreement with the Chief Executive Officer, he verifies that the Company's top management and any CEOs of Alkemy Group companies, as well as subjects or external consultants to the Company attend board meetings, including on the request of the individual Directors, to provide suitable in-depth information on the items on the agenda. It is specified that during the Financial Year, the Group CFO attended Board meetings regularly.

Considering the competences and experience of the Directors and Auditors in office, the Company has not considered it necessary to conduct any specific induction programme during the year.

In this respect, we note that the involvement of the whole board in the company and business dynamics takes place efficiently during the board debate, during which time the executive directors provide suitable appropriate disclosures.

The Chairman of the Board of Directors shall also assess the adequacy and transparency of the board evaluation procedure, with the help of the appointed Board Committee.

It is also noted that during the Financial Year, the Chairman made sure that the Board was informed by the first available meeting on the development and significant contents of the dialogue with shareholders.

### **Board Secretary**

The Board of Directors is in charge of appointing the Secretary, following proposal by the Chairman; such secretary need not necessarily be a member of the Company but must meet suitable requirements of professionalism.

In particular, the Secretary shall:



- have a masters degree in an economic-legal subject;
- have accrued at least 3 years of experience in law firms specialised in corporate law and corporate governance, or have held senior roles for the same period in legal departments of listed companies or companies of significant size;
- have held, for at least 3 years, the position of director or auditor in one or more capital companies.

The Secretary depends hierarchically and functionally on the Board and, for it, the Chairman, supporting the Chairman's work and assisting in the preparation of board and shareholder meetings, in preparing the related resolutions and minutes, in assuring the adequacy, completeness and clarity of information flows to the Board, in communication with the Directors and in organising the board induction and board review.

The Secretary also assists the Chief Executive Officer in relations with the Board and provides impartial assistance and consultation to the Board on every relevant aspect for the correct operation of the corporate governance system.

The Secretary coordinates the Committees' secretariat so as to rationalise and streamline information flows between the Committees and the Board and efficiently and consistently manage the relevant agendas.

During the meeting held on 13 September 2021, the Board of Directors appointed the Board Secretary, in the person of Mara Luisa Sartori, after verifying possession of the requirements of professionalism envisaged by the Board of Directors Regulation.

#### **4.6. EXECUTIVE DIRECTORS**

##### **Chief Executive Officers**

Pursuant to Articles 20.4 and 20.5 of the Articles of Association, the Board of Directors may delegate parts of its assignments to an Executive Committee comprising minimum of 3 (three) and maximum of 5 (five) directors, determining the limits of the delegation, the number of members and the methods of operation of the committee. The Board of Directors may not delegate - neither to each Chief Executive Officer, nor to individual directors, nor indeed to the Executive Committee (if appointed) - decisions under Article 2381 of the Italian Civil Code and any other decisions that must be taken, by law or according to regulations, with the vote of the entire Board of Directors.

The Company has assigned specific operative delegations to some of the directors on the Board and, in particular, by resolution passed on 26 April 2022, the Board appointed director Duccio Vitali as the Company's Chief Executive Officer, conferring upon him the following powers to be exercised within the limits of the budget approved each year by the Company:



## **A. COMMERCIAL SALES**

**By individual and separate signature, up to Euro 5,000,000 per individual transaction or multiple inter-connected transactions.**

**By joint signature together with that of another director with suitable powers, for transactions (also inter-connected) worth more than Euro 5,000,000.**

1. to sign, for and on behalf of the Company, framework agreements with customers and to take part in temporary consortia;
2. to prepare offers and quotations, to enter into contracts for the supply of goods and services, to arrange for the issue of invoices, debit and credit notes, to sign such and issue receipt thereof, and also to demand amounts, including by means of mandates, issuing receipts and waivers thereof.

## **B. PURCHASES**

**By individual and separate signature up to Euro 500,000 per individual transaction or multiple inter-connected transactions.**

**By joint signature together with that of another director with suitable powers, for transactions (also inter-connected) worth more than Euro 500,000 and up to Euro 1,000,000.**

**By joint signature together with that the Chief Financial Officer and another director with suitable powers, for transactions (also inter-connected) worth more than Euro 1,000,000.**

1. to enter into, sign and potentially cancel purchase orders and contracts for goods necessary for the regular operation and growth of the Company, collecting and refusing goods, accepting or rejecting supplier invoices;
2. to purchase, sell and exchange movable assets entered on public registers, including motor vehicles relative to the company's business, office equipment, hardware and software;
3. to sign and enter into, for and on behalf of the company, regulatory agreements and contracts for the purchase of goods or services and the supply or sub-supply of services of any type, as long as relevant to the corporate business;
4. to enter into (with I the appropriate clauses, including arbitration clauses), to amend and terminate contracts and agreements relating to the company business, including, merely by way of example, rental contracts, transport contracts, tenders, free loan, procurement, delivery and deposit agreements;
5. to enter into contracts for the lease of assets, including financial leases but only for movable assets, with the exclusion of leases for more than nine years applicable to real estate, as envisaged by Art. 1572 of the Italian Civil Code.



## **C. EMPLOYMENT CONTRACTS**

**By individual and separate signature up to Euro 80,000 (in terms of gross annual remuneration) per individual transaction or multiple inter-connected transactions.**

**By joint signature together with that of another director with suitable powers, for transactions (also inter-connected) worth more than Euro 80,000 and up to Euro 100,000 (in terms of gross annual remuneration).**

1. to hire and dismiss company employees, with the exception of the appointment, hiring and dismissal of managers, establishing duties and qualifications and determining the gross annual remuneration, within the above limit, to sign letters of employment and requests for clearance from the Ministry of Employment and job centres;
2. to be party to and sign any acts, including collective bargaining agreements, and all formalities relating to staff management (excluding managers), their organisation and use, including disciplinary actions, also arranging for their transfer from one production unit to another, where appropriate and legitimate;
3. to represent the Company before any trade union, welfare or category association or entity;
4. to represent the Company before the Employment Offices;
5. to pay, for and on behalf of the Company, expense notes, reimbursements and advances to Company employees.

## **D. BANK, POST OFFICE AND FINANCIAL TRANSACTIONS.**

### **D.1. By individual signature and with no limit to amount**

1. to transfer for collection, for and on behalf of the company, cheques, bills of exchange and documents for collection or discount to be credited to the company's current accounts, to make transfers between bank and post office current accounts held by the Company;
2. to make payments for tax and contribution requirements.
3. to open and close bank current and postal accounts.

### **D.2. By individual signature and within the limits of the overdrafts and facilities granted:**

1. to use the bank overdrafts and facilities granted and resolved in the company's favour.

### **D.3. By individual and separate signature up to Euro 400,000 per individual transaction or multiple inter-connected transactions.**

**By joint signature together with that of the Company's Chief Financial Officer, for transactions (also inter-connected) worth more than Euro 400,000 and up to Euro 600,000.**



**By joint signature together with that of the Company's Chief Financial Officer, and that of another director with suitable powers, for transactions worth more than 600,000.**

1. to operate with credit institutes in connection with the following transactions:

- (i) opening of credit facility on current account;
- (ii) payment orders and withdrawals from correspondence current accounts, including by means of bank cheques to the order of the third parties, against liquid funds or loans granted or in any case overdrafts;
- (iii) establishment of caution deposits;
- (iv) transfer of receivables;
- (v) bank and insurance bonds;
- (vi) issues of direct promissory notes and bills drawn;
- (vii) orders of foreign exchange and security transactions, with the faculty to transfer the securities and demand the revenue;
- (viii) establishment of securities deposits under custody or administration;
- (ix) withdrawals from custody deposits or deposits under administration of securities, even if extracted or favoured by premiums, with the faculty to demand the relevant principal and premiums;
- (x) to enter into lease contracts, contracts for the use and termination of safety boxes, cabinets and sections in safes, establishment and withdrawal of closed deposits;
- (xi) to sign all other documents necessary or useful to the completion of the procedures relating to the above transactions.

**D.4. By individual and separate signature up to Euro 500,000 per individual transaction or multiple inter-connected transactions.**

**By joint signature together with that of the Company's Chief Financial Officer, and that of another director with suitable powers, for transactions worth more than 500,000.**

To make payments to subsidiaries.

#### **E. RELATIONS WITH PUBLIC OFFICES AND THE LEGAL AUTHORITIES**

**By individual signature:**

1. To represent the Company in Italy and abroad, before any public or private entity and in all its relations with the Public Administration; in particular before: any state or para-state office and entity, Ministries, the Italian Exchange Office, the Chambers of Commerce, the Public Motor Vehicles Registry, the Office of Regions, Provinces and Municipalities and local districts, the offices of the Issues Institute, Cassa Depositi e Prestiti, the Public Debt offices, Treasuries and Treasury Coffers, the Insurance company and transport offices, both state and under concession, Customs offices, making deliveries and collections, setting and releasing goods and valuable from restrictions; the



Revenue Agency, the Financial Administration in general, the Regional, municipal and provincial offices for local tax;

1. To draft and sign the declarations and communications to Ministries, the Revenue Agency and the Customs, the Chambers of Commerce, Stock Markets and other public and private entities and offices, regarding requirements laid down for the Company by laws and regulations; to propose, accept and sign agreements with the State Financial Administration and local entities.
2. To carry out all acts and operations in tax, currency, anti money laundering, fiscal and duty matters, in regard to the central and outlying bodies and offices of the State financial administration and to represent the Company in such matters before the tax commissions and in cassation, all with the most extensive faculties in terms of presenting claims, documents, reports, petitions, challenges, negotiating and defining all cases, also in relation to assessments carried out by the financial offices, the adhesion to their requests, requests for
- 3.
4. reimbursements, signing all deeds, documents and receipts as may be necessary for the foregoing.
5. To sign all declarations and deeds and carry out all activities and fulfil all requirements laid down for the Company by law in regard to Consob, Borsa Italiana, the Bank of Italy, the Italian Exchange Office, the Protection Authorities, the Chambers of Commerce and, more generally, the State Public Administrations.
6. To carry out, at public administrations, public offices and entities, all acts and operations as may be necessary to obtain registrations, variations, administrative concessions, licences and authorisation deeds in general, as necessary to achieving the company object; to enter into and sign disciplinary records, agreements, acts of submission and any other preparatory deeds for such provisions.
7. To represent the Company in any bankruptcy and insolvency proceedings.
8. To take and defend any action, case or proceedings to which the Company is or may be party, before any legal authority, whether civil, including the employment magistrate, criminal, administrative or tax, at any stage and level, including enforcement, interim and urgent proceedings; to this end, to appoint lawyers and confer the relevant powers of attorney, to elect addresses for service, to act and defend in any proceedings, to sign acts, summonses, petitions, suits, statements and notices, acts of appeal and all other types of appeal and encumbrance, to make declarations, to respond to free and formal cross-examinations, to receive amounts and property, to issue the relevant receipts thereof, to settle and conciliate disputes and to sign the related settlement deeds, to waive acts and rights and to sign acts of



waiver, to withdraw suits and all other powers necessary or even merely appropriate to ensuring the full jurisdictional protection of the Company for the conciliation and settlement of all disputes, without any able to claim that the appointed director is lacking determined powers, all hereby with the promise of ratification and validation and to be completed in multiplex contexts.

## **F. PRIVACY**

### **By individual signature:**

1. All powers to ensure that personal data is processed in compliance and complete respect of Italian Legislative Decree no. 196/2003 (the “**Code**”) and Regulation EU 679/2016 (the “**Regulation**”) and, in general, all current legislation, to ensure, merely by way of example, fulfilment of the following legal requirements:

- (i) to implement all measures laid down by the Code and the Regulation;
- (ii) to represent the Company in all relations with the natural persons to whom the personal data refers, as well as with their delegated representatives;
- (iii) to represent the Company in all relations with the technicians, consultants and other external collaborators, as well as with suppliers and other subjects with which it may be necessary or useful to entertain relations in order to better implement current legislation;
- (iv) if necessary, to identify and appoint one or more persons in charge of the processing and to provide them with detailed operating instructions;
- (v) to monitor compliance with the instructions given;
- (vi) to fulfil all disclosure obligations and obligations relating to the acquisition of consent, in accordance with Art. 13 of the Regulation;
- (vii) to guarantee that data subjects can effectively exercise the rights envisaged under Art. 15 et seq. of the Regulation;
- (viii) to promptly process all requests made for information by the Data Protection Authority;
- (ix) to ensure the preparation and update of a security system that is able to ensure compliance with the indications and instructions given in the Code and Regulation;
- (x) to appoint and revoke, under the scope of the powers conferred, special powers of attorney for individual acts or categories of acts.

## **G. MISCELLANEOUS**

1. To draft and sign all Company correspondence and all other documents requiring the Company’s signature.
2. To sign letters of confidentiality relating to confidential information given and received by the Company.





3. To carry out all preliminary, connected, consequential and in any case necessary or useful acts to the exercise of the powers conferred.
4. To represent the Company in the shareholders' meetings of investees.
5. Within the limits of the powers conferred upon him, to issue special powers of attorney for certain acts or categories of acts.

The Chief Executive Officer Duccio Vitali is named Chief Executive Officer and does not hold any position as Director in any other listed issuer in which a Company Director is named Chief Executive Officer.

Please also note that the Chief Executive Officer Duccio Vitali was appointed Director in charge of the Risk Management and Internal Control System (the “RMICS”) by Board resolution passed on 26 April 2022.

### **Chairman of the Board of Directors**

The choice to assign operative delegations to the Chairman of the Board of Directors is justified by the particular competences acquired by Mr Mattiacci and the value shown in identifying and developing growth opportunities by external lines of Alkemy.

The Chairman of the Board of Directors shall have all powers envisaged by the law and the Articles of Association, with specific reference to the guiding role and the management of the works of the corporate bodies, as well as the Company’s representation.

By resolution passed on 26 April 2022, the Chairman of the Board of Directors was assigned the following powers, to be exercised up to the budget limits approved annually by the Company:

#### **A. COMMERCIAL SALES**

By individual and separate signature, up to Euro 3,000,000 per individual transaction or multiple inter-connected transactions.

By joint signature together with that of another director with suitable powers, for transactions (also inter-connected) worth more than Euro 3,000,000.

1. to sign, for and on behalf of the company, framework agreements with customers and to take part in temporary consortia;
2. to prepare offers and quotations, to enter into contracts for the supply of goods and services, to arrange for the issue of invoices, debit and credit notes, to sign such and issue receipt thereof, and also to demand amounts, including by means of mandates, issuing receipts and waivers thereof.

#### **B. PURCHASES**



By individual and separate signature up to Euro 500,000 per individual transaction or multiple inter-connected transactions.

By joint signature together with that of another director with suitable powers, for transactions (also inter-connected) worth more than Euro 500,000 and up to Euro 1,000,000.

By joint signature together with that of two more directors with suitable powers, for transactions (also inter-connected) worth more than Euro 1,000,000.

1. to enter into, sign and potentially cancel purchase orders and contracts for goods necessary for the regular operation and growth of the Company, collecting and refusing goods, accepting or rejecting supplier invoices;
2. to purchase, sell and exchange movable assets entered on public registers, including motor vehicles relative to the Company's business, office equipment, hardware and software;
3. to sign and enter into, for and on behalf of the Company, regulatory agreements and contracts for the purchase of goods or services and the supply or sub-supply of services of any type, as long as relevant to the corporate business;
4. to enter into (with all the appropriate clauses, including arbitration clauses), to amend and terminate contracts and agreements relating to the company business, including, merely by way of example, rental contracts, transport contracts, tenders, free loan, procurement, delivery and deposit agreements;
5. to enter into contracts for the lease of assets, including financial leases but only for movable assets, with the exclusion of leases for more than nine years applicable to real estate, as envisaged by Art. 1572 of the Italian Civil Code

### **C. EMPLOYMENT CONTRACTS**

By individual and separate signature up to Euro 80,000 (in terms of gross annual remuneration) per individual transaction or multiple inter-connected transactions.

By joint signature together with that of another director with suitable powers, for transactions (also inter-connected) worth more than Euro 80,000 and up to Euro 100,000 (in terms of gross annual remuneration).

1. to hire and dismiss company employees, with the exception of the appointment, hiring and dismissal of managers, establishing duties and qualifications and determining the gross annual remuneration, within the above limit, to sign letters of employment and requests for clearance from the Ministry of Employment and job centres;
2. to be party to and sign any acts, including collective bargaining agreements, and all formalities relating to staff management (excluding managers), their organisation and use, including disciplinary actions, also arranging for their transfer from one production unit to another, where appropriate and legitimate;



3. to represent the Company before any trade union, welfare or category association or entity;
4. to represent the Company before the Employment Offices;
5. to pay, for and on behalf of the Company, expense notes, reimbursements and advances to company employees.

#### **D. BANK, POST OFFICE AND FINANCIAL TRANSACTIONS**

By joint signature together with that of the Company's Chief Financial Officer, for transactions (also inter-connected) worth more than Euro 400,000 and up to Euro 600,000.

By joint signature together with that of the Company's Chief Financial Officer, and that of another director with suitable powers, for transactions worth more than 600,000.

1. to open and close bank current and postal accounts;
2. to operate with credit institutes in connection with the following transactions:
  - (i) opening of credit facility on current account;
  - (ii) orders and withdrawals from correspondence current accounts, including by means of bank cheques to the order of the third parties, against liquid funds or loans granted or in any case overdrafts;
  - (iii) establishment of caution deposits;
  - (iv) transfer of receivables;
  - (v) bank and insurance bonds;
  - (vi) issues of direct promissory notes and bills drawn;
  - (vii) orders of foreign exchange and security transactions, with the faculty to transfer the securities and demand the revenue;
  - (viii) establishment of securities deposits under custody or administration;
  - (ix) withdrawals from custody deposits or deposits under administration of securities, even if extracted or favoured by premiums, with the faculty to demand the relevant principal and premiums;
  - (x) to enter into lease contracts, contracts for the use and termination of safety boxes, cabinets and sections in safes, establishment and withdrawal of closed deposits;
  - (xi) to sign all other documents necessary or useful to the completion of the procedures relating to the above transactions.

By joint signature together with that of the Company's Chief Financial Officer, or alternatively that of the Chief Executive Officer, for transactions worth more than 500,000.

1. to make payments to subsidiaries.



## **E. MISCELLANEOUS**

1. To draft and sign all Company correspondence and all other documents requiring the Company's signature.
2. To sign letters of confidentiality relating to confidential information given and received by the Company.
3. To take and defend any action, case or proceedings to which the Company is or may be party, before any legal authority, whether civil, including the employment magistrate, criminal,
4. administrative or tax, at any stage and level, including enforcement, interim and urgent proceedings; to this end, to appoint lawyers and confer the relevant powers of attorney, to elect addresses for service, to act and defend in any proceedings, to sign acts, summonses, petitions, suits, statements and notices, acts of appeal and all other types of appeal and encumbrance, to make declarations, to respond to free and formal cross-examinations, to receive amounts and property, to issue the relevant receipts thereof, to settle and conciliate disputes and to sign the related settlement deeds, to waive acts and rights and to sign acts of waiver, to withdraw suits and all other powers necessary or even merely appropriate to ensuring the full jurisdictional protection of the Company for the conciliation and settlement of all disputes, without any able to claim that the appointed director is lacking determined powers, all hereby with the promise of ratification and validation and to be completed in multiplex contexts;
5. To carry out all preliminary, connected, consequential and in any case necessary or useful acts to the exercise of the powers conferred;
6. To represent the Company in the shareholders' meetings of investees.
7. Within the limits of the powers conferred upon him, to issue special powers of attorney for certain acts or categories of acts.

In light of the limited powers conferred on the Chairman of the Board of Directors, he is not classed as the Company Chief Executive Officer, as he is not the main party responsible for business management; nor the controlling shareholder of the Issuer and, therefore, the Issuer has not appointed a Lead Independent Director in accordance with Recommendation 14 of the Corporate Governance Code.

### **Executive Committee (pursuant to Art. 123-bis, paragraph 2, letter d) of the Consolidated Law on Finance)**

At the Report Date, no Executive Committee has been established.

### **Information to the Board by directors/appointed bodies**



In accordance with the provisions of Art. 2381, paragraph 5 of the Italian Civil Code, the delegated bodies provide the Board of Directors with information at least once a quarter, on the activities carried out in exercising the delegations conferred upon them.

### **Other Executive Directors**

On 26 Aprile 2022 the Board of Directors attributed the Director Massimo Canturi the powers set forth below, to be exercised within the limits (i) set forth below and, in any case, (ii) of the budget approved each year by the Company:

#### **A. COMMERCIAL SALES**

By individual and separate signature, up to Euro 3,000,000 per individual transaction or multiple inter-connected transactions.

By joint signature together with that of another director with suitable powers, for transactions (also inter-connected) worth more than Euro 3,000,000 and up to Euro 5,000,000.

1. to sign, for and on behalf of the Company, framework agreements with customers and to take part in temporary consortia;
2. To prepare offers and quotations, to enter into contracts for the supply of goods and services, to arrange for the issue of invoices, debit and credit notes, to sign such and issue receipt thereof, and also to demand amounts, including by means of mandates, issuing receipts and waivers thereof.

#### **B. PURCHASES**

By individual and separate signature up to Euro 300,000 per individual transaction or multiple inter-connected transactions.

By joint signature together with that of the company's Chief Financial Officer, for transactions (also inter-connected) worth more than Euro 300,000 and up to Euro 500,000.

By joint signature together with that of the Chief Financial Officer and another director with suitable powers, or, alternatively, that of two directors with suitable powers, for transactions (also inter-connected) worth more than Euro 500,000 and up to Euro 1,000,000.

1. to enter into, sign and potentially cancel purchase orders and contracts for goods necessary for the regular operation and growth of the Company, collecting and refusing goods, accepting or rejecting supplier invoices;
2. to purchase, sell and exchange movable assets entered on public registers, including motor vehicles relative to the company's business, office equipment, hardware and software;



3. to sign and enter into, for and on behalf of the company, regulatory agreements and contracts for the purchase of goods or services and the supply or sub-supply of services of any type, as long as relevant to the corporate business;
4. to enter into (with I the appropriate clauses, including arbitration clauses), to amend and terminate contracts and agreements relating to the company business, including, merely by way of example, rental contracts, transport contracts, tenders, free loan, procurement, delivery and deposit agreements.

#### **4.7. INDEPENDENT DIRECTORS AND LEAD INDEPENDENT DIRECTOR**

##### **Independent Directors**

In compliance with the independence requirements established by applicable legislation, in the number established by applicable provisions of laws and regulations, there are currently four independent directors on the Board of Directors, namely Giulia Bianchi Frangipane, Ada Villa and Serenella Sala (the “**Independent Directors**”), who:

- (i) do not control the Issuer, directly or indirectly, or through subsidiaries, trustee companies or a third party nor are they able to exercise significant influence over it;
- (ii) do not participate, directly or indirectly, in any shareholders’ agreement through which one or more individuals can exercise control or significant influence over the Issuer;
- (iii) are not, and have not been in the previous three financial years, significant representatives (meaning the Chairman, a legal representative, Chairman of the board, Executive Director or a Key Manager) of the Issuer, a strategically significant subsidiary of the latter, a company which is subject to joint control, a company or an entity which, including with others through a shareholders’ agreement, controls the Issuer or is able to exercise significant influence over the Issuer;
- (iv) do not hold, and have not held in the previous year, directly or indirectly (for example through subsidiaries or companies in which they act as significant representatives, in the sense indicated under point (iii) above, or as partners of a professional concern or a consulting company), a significant commercial, financial or professional relationship: (a) with the Issuer, a subsidiary, or any significant representatives, pursuant to point (iii) above, thereof; (b) with an individual which, including jointly with others through a shareholders’ agreement, controls the Issuer, or if this is a company or an entity, with significant executives, in the sense indicated under point therein or (c) they do not hold and have not held in the previous three years an employment relationship with the aforementioned entities and individuals;
- (v) notwithstanding the indications under (iv) above, they do not have any freelance or employment relations, or any other relations of a pecuniary or professional nature such that their



independence would be compromised: (a) with the Issuer, its subsidiaries or parent companies or company subject to joint control; (b) with the Directors of the Issuer; (c) with individuals that have a spouse, parental relationship or kinship up to the fourth Decree with the directors of the companies under point (a);

- (vi) do not receive, and nor have they received in the preceding three years, from the Issuer or a company that is the latter's subsidiary or parent, any significant additional remuneration compared to the "fixed" emolument payable to a non-executive director of the Issuer, including participation in incentive schemes which are connected to company performance, including stock based plans;
- (vii) have not been Directors of the Issuer for more than nine of the last twelve years.

The loss of independence requirements does not entail forfeiture of office for as long as the Board continues to contain a number of Independent Directors that is compliant with applicable regulations and rules of corporate governance.

In the Board of Directors Regulation, the Company has set out the qualitative and quantitative criteria by which to assess the significance of the significant circumstances in accordance with the Corporate Governance Code, in terms of assessing the independence of Directors envisaged by Recommendation 7.

More specifically, the Board of Directors has identified such criteria as follows:

- - “significant commercial, financial or professional relationship” means a commercial, financial or professional relationship whose total value exceeds: (i) 20% of the turnover of the legal entity, organisation or professional firm of which the Director has control or is an important representative or partner, or (ii) 20% of the annual income of the Director as a natural person or annual turnover generated directly by the Director under the scope of the activities carried out at the legal entity, organisation or professional firm, of which the Director has control or is an important representative or partner.
- - “significant additional remuneration” is remuneration for professional appointments or consultancies that exceeds double the fixed remuneration received during the reference year for the office of Director, without prejudice to a verification to be carried out on a case-by-case basis, depending on concrete circumstances. In order to calculate the significant additional remuneration, fees are excluded for participation in the Committees and the roles are considered held in other Alkemy Group companies.

The Independent Directors entirely form the Remuneration Committee and the majority of the Control and Risks Committee. These same Independent directors have been chosen, as members of the Control and Risks Committee, also as members of the Related Party Transactions Committee, identified in the relevant procedure.



During the meeting held on 26 April 2022, the Board of Directors, as a whole, verified, with reference to the indications given by each of them, that said Directors meet the independence requirements envisaged by Article 147-ter, paragraph 4 of the Consolidated Law on Finance (which recalls Article 148, paragraph 3 of the Consolidated Law on Finance) and Recommendation 6 of the Corporate Governance Code, disclosing this information to the market on the same date.

The Independent Directors also undertake to promptly notify the Board of Directors should any situation arise that causes them to lose their independence requirements and to consequently allow it to make the necessary and/or consequent decisions, without, however, undertaking in this case to stand down. The Board of Auditors shall verify the correct application of the criteria and procedures for assessment adopted by the board to annually assess the independence of its members, disclosing the results of said controls in its report to the shareholders' meeting. As part of the periodic controls carried out during the year, the Board of Auditors did not note any reason why the independence of the Independent Directors should not be assessed in accordance with regulations currently in force.

At the date of this Report, the provisions of Recommendation 5 of the Corporate Governance Code on meetings of Independent Directors only do not apply, as the Company is not classified as “large”.

#### **Lead independent director**

As, at this Report Date, the criteria pursuant to Recommendation 14 of the Corporate Governance Code are not met, the Company has not designated an independent director as Lead Independent Director.

## **5. MANAGEMENT OF CORPORATE INFORMATION**

On 10 July 2019, the Alkemy Board of Directors adopted the “Internal Inside Information Management Procedure” (the “**Inside Information Procedure**”), in compliance with applicable European Community and national legislation on the prevention and fight against market abuse and public communications, as well as in adhesion to the recommendations pursuant to the code previously in force and Recommendation 1, letter f) of the Corporate Governance Code, intended to regulate: (a) the management and processing of inside information as defined by the processing; (b) the establishment and keeping of the Insider Register.

The Procedure for the processing of Inside Information and the establishment and keeping of the Insider Register defines, amongst others, (i) the identification of the subjects called to comply with the provisions set out therein; (iii) the competences and responsibilities of the Board of Directors and other subjects identified by the procedure; (iv) the identification and management of inside information; (v) the procedure for activating the late public disclosure procedure of inside information and the verification that conditions are met for the delay thereafter; and (iv) the method by which inside information is spread and communicated to the market.





With reference to the keeping of the Insider Register, the Procedure for the processing of Inside Information and the establishment and keeping of the Insider Register, regulates: (i) the identification of the parties responsible for keeping said register; (ii) the criteria for identifying the persons to be entered on the Insider Register (both in the “occasional section” and the “permanent section”); (iii) the methods and function of the Insider Register; (iv) the contents and notification of the registration; and (v) the update of the Insider Register.

With specific reference to the inside information pursuant to Art. 7 of the Market Abuse Regulation. In order to apply the Inside Information Procedure, the Company takes into account the interpretations and applicative indications given in the Consob Guidelines to the management of inside information, no. 1/2017 (October 2017).

On this same date, the Company also adopted the Internal Dealing Procedure pursuant to Article 19 of the MAR, aimed at regulating the information obligations in regard to Consob and the public, connected with the carrying out by “relevant subjects” and “closely related persons” and “relevant shareholders” and “closely related persons”, identified in accordance with the MAR, the Consolidated Law on Finance and the Issuers' Regulation, of transactions concerning financial instruments issued by the Company.

Full details of the procedures are given on the Company’s website [www.alkemy.com](http://www.alkemy.com), in the Governance/Documents and Procedures section.

## **6. INTERNAL BOARD COMMITTEES (pursuant to Art. 123-bis, paragraph 2, letter d) of the Consolidated Law on Finance)**

In its meeting held on 2 October 2019, the Board of Directors established the Control, Risks and Sustainability Committee and the Remuneration Committee in accordance with Principle XI and Recommendation 16 of the Corporate Governance Code.

With effect starting on the first day of listing on the MTA (therefore starting 17 December 2019), the Control, Risks and Sustainability Committee also acts as Related Party Transactions Committee, in lieu of the committee appointed by resolution passed on 25 June 2019. A summary explanation of the Related Party Transactions Procedure is given in Section 12 below.

For information on the members and tasks of the Control, Risks and Sustainability and Remuneration Committees, reference is made to Sections 9.2 and 8.2 below.

Considering the Company’s structure and size, also due to the related ownership structure, and the list voting mechanism envisaged by the Articles of Association, which assures a transparent appointment procedure and a balance in the members of the Board of Directors, also with reference



to the presence of a suitable number of independent directors<sup>1</sup> and the results recorded during the evaluation of the balanced composition of the administrative body, the Board of Directors has not considered there to be any need for an Appointments Committee to be established within the Board of Directors. The related functions will therefore be carried out by the Board of Directors, coordinated by the Chairman, during time set aside in board meetings.

There are at least three non-executive directors in the committees, the majority of whom are independent. In deciding Committee members, the Board takes into account the requirements of independence, the characteristics of professionalism and the experience of the Directors, so that each Committee is made up of members whose competence and professionalism is adequate and valued with respect to the tasks assigned to the Committees and in such a way as to avoid any excessive concentration of engagements with the individual Directors.

In going about their activities, the committees have the faculty to access the information and corporate departments necessary to go about their duties and can ask non-members to attend.

The Committees have adopted a specific regulation governing their function, which establishes that the respective meetings shall be minuted and held in a manner similar to that explained in Section 4.4 above, with reference to the Board of Directors as a whole.

The Control, Risks and Sustainability Committee prepares an economic budget, which is approved by the Board. The Control, Risks and Sustainability Committee and the Remuneration Committee in any case have extra spending faculties over and above the budget when this is required by specific activities carried out.

## **7. DIRECTOR SUCCESSION AND SELF-ASSESSMENT**

### **7.1. Director succession and self-assessment**

The Board periodically assesses the effectiveness of its activities and the contribution made by its individual members, through a board evaluation process.

The previous Board of Directors carried out the board evaluation to assess the size, members and concrete function of the Board and its Committees, in application of the provisions of Recommendation 22 of the Corporate Governance Code in view of the renewal of the administrative body during the first quarter of FY 2022. The results were discussed and approved by the Board.

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<sup>1</sup> In view of the fact that the Issuer is not classified as a “large company”, the condition relative to the presence of a number of independent Board members equal to at least half the directors, in the event of the attribution to the administrative body as a whole of the duties of appointments committee, does not apply



The Board carried out the board evaluation with the help of an external consultant and through the in-house lawyer.

The consultant appointed has therefore prepared a specific questionnaire with the contents described below. The Chairman of the Board of Directors has validated the questionnaire that, with the help of the manager of the competent internal departments, was made available to each director through the specific platform created in order to guarantee the anonymity of the related answers. Access to the questionnaire did not, in fact, require any prior registration. The data relating to the answers given by the Directors was processed and aggregated in order to prepare the summary document, which aims to provide an assessment of the work of the Board of Directors and its Committees in terms of both effectiveness and efficiency, with the aim of verifying opportunities for improvement highlighted during the first board evaluation and providing useful elements to allow for medium/long-term strategic interventions (e.g. gathering recommendations to be transferred to the Board of Directors and/or shareholders on the Board's membership, operation and size).

The questionnaire was structured into two macro sections, the first dedicated entirely to the Board of Directors (and Independent Directors) and the second to the Board Committees. The Section dedicated to the Board of Directors was, in turn, divided up into subsections (size and membership - operation - organisation of the meetings - documentation and information and remuneration), while the Section on Committees has been divided up into two subsections, one dedicated to the assessment of its size and operation, open to all directors, and one to assessing the members of the respective committees. In the questions (a total of around 90), each director was asked to express an assessment from 1 to 5, where: 1 = (inadequate); 2 = (partially adequate); 3 = (basically adequate); 4 = (adequate); 5 = (entirely adequate), in any case leaving some questions for open answer for each question or section and at the end of the whole questionnaire, for any clarifications, comments, proposals and/or suggestions that were then taken into account when preparing the final report summarising the results of the board evaluation (the “**Report**”)

The questionnaire did not ask any questions about individual directors.

The Report revealed that the overall consideration was positive, with a score of 4.12, essentially similar to the previous evaluation.

In particolare:

More specifically:

(i) the adequacy of the members and size of the Board of Directors was confirmed as particularly appreciated, above all with reference to the representation on the Board of the various executive, non-executive and independent members and the professional characteristics and managerial experience of the executive directors, although the lowest score was recorded in reference to the number of Board members;



(ii) satisfaction was also expressed with respect to the Board's work in terms of (i) frequency of attendance of meetings by all directors; (ii) climate and dialectics in the board meeting; (iii) weighting recognised to the opinion of the executive and non-executive directors in passing Board resolutions; and (iv) minute-taking of meetings;

(iii) a very positive opinion was also given on the function of the Board Committees, with excellent results recorded in terms of role, operation, members and size.

At the same time, the analysis of the answers given by the directors revealed some points for improvement about the timely sharing of supporting documentation for discussion in the Board of Directors and the attendance of the group's senior managers of the meetings.

The answers and considerations provided by the Directors in response to the questionnaires, as conveyed in the Report, were analysed together by the Board during the meeting held on 4 March 2022, after which the Board unanimously approved the Report explaining the evaluation process.

In application of Principle XIII of the Corporate Governance Code, insofar as coming under its purview, the Board of Directors ensures that the process for the appointing and succession of directors is transparent and able to ensure the optimal composition of the administrative body.

It is noted that in view of the renewal of the administrative body occurred during the FY, the outgoing Board of Directors has given some thoughts, which it submits to the Company's shareholders' meeting, on the quantitative and qualitative composition considered optimal for the new Board, with the aim of expressing, in compliance with the Company Articles of Association and applicable provisions of law and regulation, guidance on the eligibility, composition and gender balance, term, size and composition of the administrative body.

More specifically, the composition was to take into account (a) the Company's current and prospective needs, (b) the need to maintain an important presence of independent directors, (c) the value of confirming at least some of the directors who have already accrued suitable knowledge of the sector in which the Company operates and its corporate governance structure. The Board of Directors has also given guidance on the characteristics considered optimal in terms of the important representatives, namely the Chairman, Chief Executive Officer, Executive Directors and Independent Directors.

For more information, refer to the Guidelines prepared by the Board of Directors of Alkemy S.p.A. to Shareholders on the quantitative and qualitative composition considered optimal for the new Board of Directors, as published on 7 March 2022 on the Issuer's website [www.alkemy.com](http://www.alkemy.com) - Corporate Governance section.

In addition, in consideration of the ownership structure, the Company size and structure and the experience and competence of the current executive directors and the system of delegations of power implemented in the Board of Directors, the Company has chosen not to amend the Board resolution



passed on 02 October 2019, whereby it decided not to adopt a succession plan of the executive directors pursuant to Recommendation 24 of the Corporate Governance Code.

The Board and Control and Risks Committee have acknowledged that with this Recommendation, the obligation to prepare the succession plan only lies with the companies that can be classified as “large” in accordance with the Corporate Governance Code. Given that the Company cannot currently be classified as such, it is not required to adopt any succession plan for executive directors, in line with the decision passed following the appointment of the Board of Directors in its current membership.

## **7.2. APPOINTMENTS COMMITTEE**

As pointed out in Section 6 of this Report, the Board of Directors has not chosen to establish an appointments committee within the Board and, therefore, has assigned the relevant functions to the Board of Directors as a whole (information on its membership and operation is given in Sections 4.3 and 4.4 of this Report).

For information on the work carried out by the Board of Directors during its evaluation, a definition of the optimal composition of the administrative body and how the Board can submit lists, refer respectively to Sections 7.1 and 4.2 of this Report.

## **8. REMUNERATION OF DIRECTORS**

### **8.1. Remuneration of Directors**

Please refer to the **Remuneration Report** published in the Corporate Governance/Shareholders Meeting/2023 section of the website [www.alkemy.com](http://www.alkemy.com).

#### *Section 1*

- *Chapter “A) Bodies or parties involved in the preparation, approval and implementation of the Remuneration Policy”;*
- *Chapter “D) Independent experts involved in the preparation of the Remuneration Policy;*
- *Chapter “E) Purposes pursued with the Remuneration Policy, underlying principles, duration and, in the event of revision, description of any changes to the Remuneration Policy with respect to the previous year and of how such revision takes into account the votes and assessments expressed by shareholders during or after that shareholders' meeting. - E.1) Purposes; E.2) Principles”;*
- *Chapter “F) Description of the policies on fixed and variable components of the remuneration with specific regards to the indication of the relevant weight under the*



*scope of comprehensive remuneration and distinguishing between short- and material variable components”; Chapter “I) Criteria used for the assessment of the achievement of performance objectives on which basis shares, options, other financial instruments or other variable components of remuneration are awarded and measurement of the variable component to be disbursed according to achievement of the objectives”;*

- *Chapter “J) Information aimed at highlighting the contribution of the Remuneration Policy and, in particular, the Policy on the variable components of remuneration, business strategy, the pursuit of long-term interests and sustainability”;*
- *Chapter “K) Vesting period, deferred payment systems, with indication of the deferment period and criteria used to determine these periods and ex post correction mechanisms of the variable component”;*
- *Chapter “M) “Policy on benefits in the event of resignation or termination of employment”;*
- *Chapter “O) “Remuneration policy applied for: (i) Independent Directors, (ii) participation in committees and (iii) performance of particular duties”;*
- *Chapter “P) Indications on the potential use, by way of reference, of remuneration policies of other companies”.*

#### *Section II*

- *Chapter “4) Incentive plans based on financial instruments”;*
- *Chapter “5) 2020-2023 Long-Term Incentive Plan”.*

### **8.2. Remuneration Committee**

Refer to the **Remuneration Report** published on the website [www.alkemy.com](http://www.alkemy.com) in the section on Corporate Governance/Shareholders Meeting/2023, with specific reference to Section I, Chapter B) *Remuneration Committee: members, competences and operating procedure.*

## **9. INTERNAL CONTROL AND RISK MANAGEMENT SYSTEM - CONTROL AND RISK COMMITTEE**

In light of Principle XVIII of the Corporate Governance Code, the Internal Control and Risk Management System is defined as the set of rules, procedures and organisational structures aimed at assuring the effective, efficient identification, measurement, management and monitoring of the main risks, in order to help achieve the Company’s objectives. The Company’s Board of Directors is responsible for the internal control system and, after seeking the opinion of the Control and Risks Committee, establishes the relevant guidelines for internal control and corporate risk management, verifying, from time to time and with the assistance of the Control and Risks Committee, the Manager



appointed for the internal control and risk management system and the Internal Audit Department Manager, the function of said system. An effective Internal Control and Risk Management System helps guarantee the safeguarding of the company's assets, the efficiency and effectiveness of corporate operations, the reliability of financial information and compliance with the law and regulations.

The internal control and risk management system is managed and monitored by the following corporate subjects involved in various ways and with various responsibilities in the Internal Control and Risk Management System. Each is assigned specific duties, as described further on:

- Board of Directors;
- Director Responsible for the Internal Control and Risk Management System;
- Board of Auditors;
- Supervisory Body;
- Control and Risks Committee;
- Internal Audit Department Manager (“**Head of Internal Audit**”).

In addition to those specified above, it is recalled that other subjects intervene in various ways and with different levels of responsibility in the management of the Internal Control and Risk Management System:

- the Manager appointed to prepare the company's accounting documents in accordance with Italian Legislative Decree no. 262/05;
- the Independent auditing firm.

Also on the basis of the mapping of risks prepared by the advisor Deloitte & Touche S.p.A. and the Internal Audit Department, the Company has adopted an internal control and risk management system that is able to allow for the identification, measurement and monitoring of the main risks, which the Board of Directors has considered adequate to the characteristics of the business and risk profile accepted, in the meeting held on 4 March 2022.

On this point, it is noted that on the same day, the internal control and risk management system had been preventively investigated and assessed by the Control and Risks and Sustainability committee, which, having acknowledged the Annual Report by the Internal Audit Department Manager for 2022 and assessed the specific characteristics of the Company in terms of size, segment, complexity and main risk areas, ruled in favour of the suitability and adequacy of the RMICS adopted by Alkemy S.p.A. Similarly, no findings were raised by the Board of Auditors.

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



## *Introduction*

The Internal Control System relative to the financial disclosure process (the “**System**”) is an integral part of the Alkemy Group Internal Control and Risk Management System; it is developed consistently with the guidelines of the “CoSo Framework” model and allows for assessments to be performed according to an approach focussed on the areas of highest risk and/or relevance and from which, therefore, the most significant errors could ensue in the financial statements components and the related information documents.

In this regard, the System aims to guarantee the following characteristics of the financial disclosure:

- its reliability, namely its correctness and conformity with the accounting standards and legal and regulatory requirements applicable;
- its accuracy, namely its neutrality and precision;
- its reliability, which must be sufficiently clear and complete such as to allow for informed decisions to be made by investors, the market and corporate bodies;
- its timeliness, *i.e.* respect for the deadlines established for its publication.

As a consequence of the transfer of the Issuer’s shares to the Electronic Stock Exchange (MTA) on 17 December 2019, on 24 March 2020, the Company’s Board of Directors approved the Administrative and Accounting Control Model prepared in accordance with Italian Law no. 262/2005 (the “**Administrative and Accounting Control Model**”).

The Issuer’s Administrative and Accounting Control Model represents the set of rules and corporate procedures it adopts in order to allow, through the identification and management of the main risks linked to the preparation and dissemination of the financial disclosure, for the achievement of the corporate objectives of truthfulness and correctness of said information.

The implementation of the Administrative and Accounting Control Model allows for the issue of certificates and statements as required by the law on the fact that the accounting results, ledgers and records match with the communications given out by the Company to the market and in relation to the interim and year-end accounting disclosure, as well as on the adequacy and effective application of the administrative and accounting procedures during the period to which the accounting documents refer (interim report and financial statements) and their preparation in compliance with the international accounting standards applied.

The task of monitoring the level of implementation of said Accounting Control Model has been assigned by the Board of Directors to the Manager appointed to prepare the company’s accounting documents and the Chief Executive Officer.

Also with a view to assuring the integration of the Internal Control and Risk Management System for the purpose of the financial disclosure, the Appointed Manager collaborates closely with the Internal





Audit Department, with which it agrees and shares periodic independent auditing activities aimed at analysing compliance with administrative-accounting controls.

*Description of the main characteristics of the existing risk management and internal control system in relation to the financial reporting process*

The Administrative and Accounting Control Model is characterised by the following elements:

- a) general control environment;
- b) administrative-accounting risk assessment;
- c) administrative-accounting control matrices (hereinafter also referred to as the “Matrices”);
- d) periodic assessment of the adequacy and effective application of the controls described in the matrices;
- e) internal certification process, functional to the external certifications required by legislation.

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- a) control environment: underlying the entire System, it is possible to see the essential characteristics of the following documentation: the Code of Ethics and Conduct, the set of rules of governance contained in the Report on Corporate Governance and Ownership Structures, the company organisational chart and organisational provisions and the system of powers and proxies.
- b) administrative-accounting risk assessment: in view of the recent listing on the MTA, as better examined further on in this Paragraph, Alkemy started its risk assessment during the first half of 2020, assisted by Deloitte. The risk assessment is the first step in the process towards identifying and assessing the risks linked to the accounting and financial disclosure and it is carried out both on an entity level and at the level of each individual process, all according to materiality thresholds that are suitably identified.

This process is monitored and updated once a year, by the appointed manager with the support of the Internal Audit, and involves:

- the identification, using quantitative (size) and qualitative (relevance) criteria of the items of the financial statements/financial information that are highly volatile or include risks of error, with reference to the Company’s financial statements, the consolidated financial statements and the financial statements of the subsidiaries;
- the identification, for each item of the financial statements/relevant financial information, of the relevant accounting processes/flows used as inputs and, therefore, of the main checks to be run in order to mitigate the risks identified, with the aim of ensuring that the internal control system is both effective and efficient.



- communication with the departments/companies involved in the areas of intervention with respect to which the effectiveness and application of the controls needs to be monitored.

c) administrative-accounting matrices: *i.e.* the Issuer's internal documents that describe, for each process, administrative flow and accounting transaction identified as relevant to the preparation of the financial statements/financial information, the objectives and control standards to be respected, as well as the responsibilities, assignees and frequency of implementation.

Said matrices, which are shared and assigned to each administrative department manager and operator in view of the activities carried out by them, are the essential elements on which the Internal Control System is hinged, along with the execution of the related audit processes.

d) periodic assessment of the adequacy and effective application of the controls described in the matrices: the managers of the departments involved in the preparation and management of the accounting and financial disclosure, oversee and are responsible for the correct function of the checks in respect of the correct application of the relevant procedures and ensure its update as necessary and insofar as competent. The Internal Administrative-Accounting Control System is in any case subject to independent assessment by the Head of Internal Audit, who periodically checks that it is adequately designed, effectively performs the controls and ensures compliance with the timing indicated on the Audit Plan. The audit is defined preventively in the annual Audit Plan prepared by the Head of Internal Audit and approved by the Board of Directors, after seeking the opinion of the Control, Risks and Sustainability Committee.

In addition, from time to time, the appointed manager monitors the adequacy and operation of the Internal Administrative-Accounting Control System on the basis of the information received from the department managers and the reports of the work of Internal Audit, which are sent to the Chief Financial Officer, as director in charge of the Internal Control and Risk Management System and shared with the Board of Auditors.

e) process of internal certification, functional to the issue of the external certifications required by legislation: this process takes the form of a series of subsequent certifications aimed at guaranteeing a correct communication externally, in line with that defined by Art. 154-bis of the Consolidated Law on Finance.

In this regard, for each type of financial communication disseminated to the market, different certifications are identified:

- Certification of the Annual Report and Interim Report made with reference to the Separate financial statements of Alkemy S.p.A., the Consolidated financial statements of the Alkemy Group and the Interim condensed consolidated financial statements of the Alkemy Group;
- Certification of the Interim Reports on Operations and additional final accounting disclosure, *i.e.* made with reference to other documents, such as, by way of example, press releases containing



economic-equity and financial information on interim data; final accounting data included in the presentations delivered from time to time to Shareholders and the financial community.

*Roles and department involved*

The Internal Control and Risk Management System - also in connection with the financial disclosure process - is managed and monitored by the following corporate subjects involved in various ways and with various responsibilities in the Internal Control and Risk Management System. Each is assigned specific duties, as described further on:

- Board of Directors;
- Director Responsible for the Internal Control and Risk Management System;
- Board of Auditors;
- Supervisory Body;
- Control and Risks Committee;
- Internal Audit Department Manager (“**Head of Internal Audit**”).

In addition to those specified above, it is recalled that other subjects intervene in various ways and with different levels of responsibility in the management of the Internal Control and Risk Management System:

- the Manager appointed to prepare the company's accounting documents in accordance with Italian Legislative Decree no. 262/05;
- the Independent auditing firm.
- the financial community and/or published.

**9.1. Chief Executive Officer**

To support the Issuer’s internal control and risk system, on 26 April 2022 the Company’s Board of Directors appointed Duccio Vitali, effective as from the Trading Start Date, as the director responsible for the internal control and risk management system (the “**Appointed Director**”), with the duties set forth in Recommendation 34 of the Corporate Governance Code.

The Appointed Director has been attributed the following powers:

- a) to identify the main business risks, considering the characteristics of the issuer’s and its subsidiaries’ activities, and periodically submitting those risks to the Board of Directors for its examination;
- b) to execute the guidelines defined by the Board of Directors, following up the planning, realisation and management of the internal control and risk management system and verifying



- adequacy and efficacy on an ongoing basis;
- c) to ensure the adjustment of the internal control and risk management system to fit with the dynamics of the operating conditions and the legislative and regulatory context;
  - d) to request the internal audit department to carry out verifications of specific operating areas and compliance with the internal rules and procedures in executing the corporate operations, concurrently informing the Chairman of the Board of Directors, the chairman of the Control and Risk Committee and the Chairman of the Board of Auditors;
  - e) to promptly report to the Control and Risk Committee (or to the Board of Directors) on issues and problems emerging in the course of his activities or which have otherwise come to his attention, in order that the Committee (or the Board) may take appropriate action.

## **9.2. Control, Risks and Sustainability Committee**

In its meeting held on 2 October 2019, the Board of Directors established the Control, Risks and Sustainability Committee, which also performs the duties of the Related Party Transactions Committee. Upon the renewal of the Board of Directors resolved by the Shareholders' Meeting held on 26 April 2022, on the same date the current members of the Committee were appointed.

### **Composition and operation of the Control, Risks and Sustainability Committee (pursuant to Art. 123-bis, paragraph 2, letter d), Consolidated Law on Finance)**

The Control and Risks Committee is made up of 3 (three) non-executive directors with suitable professional experience and preparation for carrying out the duties assigned to the committee, all of whom are independent: Ada Villa (Independent Director and Chairman of the Control, Risks and Sustainability Committee), Giulia Bianchi Frangipane (Independent Director) and Serenella Sala (Independent Director).

At least one member of the Committee has suitable risk management experience. More specifically, Ada Villa has said suitable experience.

The Committee shall remain in office for the entire mandate of the Board of Directors.

The Committee has its own Regulation governing its members and appointment, duties and operating procedures of the Committee, in compliance with the principles and Recommendations contained in the Corporate Governance Code.

The Chairman of the Board of Auditors (or another Auditor designated by him) attends the meetings of the Committee (which are duly minuted); the other auditors may also attend. To this end, the notice convening the meeting is also sent to the Chairman of the Board of Auditors. The Chief Executive Officer and/or the Director appointed to head the Internal Control System and, only by invitation of the Chairman, the Chairman of the Supervisory Body, other members of the Board of Directors, the Head of the Internal Audit Department, the managers of the other company departments, the Manager



appointed to prepare the company's accounting documents and other persons whose presence is considered useful, may also attend meetings.

During the Financial Year, the Committee met a total of 5 times, never as Related Party Transactions Committee and all other sessions were attended by at least one member of the Board of Auditors. For 2023, at least four quarterly meetings of the Control, Risks and Sustainability Committee are scheduled, in addition to those considered necessary by the Committee for the correct fulfilment of its duties.

### **Duties attributed to the Control, Risk and Sustainability Committee**

The Control and Risks Committee supports the Board of Directors in deciding in respect of the Internal Control and Risk Management System as well as in approving the regular financial reports, in accordance with the provisions of Art. 7 of the Code of Corporate Governance.

More specifically, in assisting the Board of Directors, the Control, Risks and Sustainability Committee has the following duties, amongst others:

- a) together with the Chief Financial Officer, the statutory auditor and the control body, to assess the correct use of accounting standards and their uniformity for the purpose of drafting the consolidated financial statements;
- b) to assess the suitability of periodic financial and non-financial information in terms of correctly representing the Company's business model, strategies, the impact of its activities and the performance achieved;
- c) to examine the content of periodic non-financial reporting relevant to the internal control and risk management system;
- d) to express opinions on specific issues pertaining to identifying the main corporate risks and supporting the evaluations and decisions of the Board of Directors relating to the management of risks deriving from prejudicial events of which the latter has become aware;
- e) to examine the periodic reports and those of particular relevance, prepared by the Internal Audit Department;
- f) to monitor the independence, adequacy, effectiveness and efficiency of the Internal Audit Department;
- g) to entrust, where considered necessary, the Internal Audit Department with the task of auditing specific operative areas, simultaneously notifying the Chairman of the control body;
- h) at least upon approval of the annual and interim financial report, to report to the administrative body on its activities and on the adequacy of the internal control and risk management system.

Additionally, with reference to its assistance of the Board of Directors in assessments and decisions relating to sustainability, the Control, Risks and Sustainability Committee:



- i. makes proposals to the Board of Directors on matters of sustainability policies, aimed at ensuring the creation of value over time for all shareholders and other stakeholders, over a medium/long-term frame in compliance with principles of sustainable development;
- ii. makes proposals to the Board of Directors with reference to the guidelines, objectives and consequent processes, of sustainability and with reference to sustainability reporting;
- iii. oversees initiatives relating to the evolution of sustainability, also in light of the international guidelines and standards in the matter, reporting back to the Board of Directors;
- iv. assesses the Sustainability Report, containing non-financial information, in accordance with European Directive 2014/95/EU and Italian Legislative Decree no. 254/2016.

During the Financial Year, the Control, Risks and Sustainability Committee mainly carried out the following activities:

- control and verification for the approval of the financial statements at 31.12.2022;
- analysis of the main corporate risk areas in order to assess the adequacy of the internal control and risk management system (risk assessment);
- support to the Board of Directors in connection with the approval of the Company's internal audit plan for 2022;
- analysis, control and verification of the interim financial report at 30 June 2022;
- assessment of the adequacy of the Company's organisational, administrative and accounting structure;
- assessment of the suitability of additional periodic financial information to correctly represent the Company's business model, strategies, the impact of its activities and the performance achieved;
- control and verification of the interim report at 30 June 2022 of the Company's Supervisory Body;
- it held regular meetings with the IA Department in order to verify implementation of the Audit Plan adopted.

The Control, Risks and Sustainability Committee reports to the Board of Directors at least on an half-year basis and is entitled to access the necessary information and company departments required for it to fulfil its duties and to use external consultants, within the limits set by the Board of Directors.

On 26 April 2022, the Board of Directors assigned the Control, Risks and Sustainability Committee an annual budget of Euro 25,000.

### **9.3. Internal Audit Department Manager**

On 13 February 2020, on the proposal of the Appointed Director and after consulting with the Control, Risks and Sustainability Committee, the Board of Directors appointed Mario Anaclerio as the



Company's Internal Audit Department Manager. In application of Recommendation 33, letter b) of the Corporate Governance Code, it is noted that the Company has chosen to assign the task of internal audit to an external subject, following an assessment of their requirements of professionalism, independence and organisation. The Company ruled thus so as to avoid any overlays of operative roles that could impact its independence, finding such a choice to be in line with the best practices adopted by other comparable companies with Alkemy listed on the MTA and the best match with the Company's organisational choices.

The Head of Internal Audit, which is not headed by any operative department and in going about his internal audit duties answers hierarchically to the Board of Directors, is appointed to verify that the Internal control and risk management system is functional and adequate and operates in substantive compliance with Recommendation 36 of the Corporate Governance Code. More specifically:

- (i) he verifies that the internal control and risk management system is functional and adequate;
- (ii) he verifies, both on an ongoing basis and in relation to specific needs and in compliance with international standards, the functioning and suitability of the Internal Control and Risk Management System, through an audit plan, approved by the Board of Directors, based on a structured process of analysis and prioritization of the key risks;
- (iii) he prepares periodic reports containing information on his own activities, the methods used for risk management, compliance with the risk mitigation plans, and on as well as an assessment of the suitability of the internal control and risk management system;
- (iv) he prepares timely reports on events of major importance;
- (v) he submits these reports to the Chairmen of the Board of Auditors, the Control and Risks Committee and the Board of Directors as well as to the Director in charge of the Internal Control and Risk Management System; and
- (vi) he verifies, as part of the audit plan, the reliability of information systems including the accounting systems.

The Head of Internal Audit has direct access to all information useful for going about the duties and, where considered necessary, also has access to the documentation produced by third parties to whom control appointments have been entrusted in the Company or other subsidiaries.

The Head of Internal Audit goes about his duties, also carrying out sample checks on the processes regulating corporate activities, extending the verification to include all Alkemy Group companies.

The Audit Plan was launched in September 2020; on the implementation, the Head of Internal Audit first reported to the Control and Risks Committee during the meeting held on 4 March and 13 September 2022 (which was also attended by the Board of Auditors) and, thereafter, to the Board of Directors during the meeting held on 4 March 2022. At those meetings, the Head of Internal Audit explained the 2021 Audit Plan. During the meeting held on 4 March 2022, the Head of Internal Audit presented the Board of Directors with its annual report relative to the Financial Year and the Audit Plan prepared with reference to FY 2022, approved by the administrative body on that same date.



#### **9.4. Organisational Model pursuant to Italian Legislative Decree no. 231/2001**

Italian Legislative Decree no. 231 of 08 June 2001, setting out the “*Regulation of the administrative liability of legal entities, companies and associations even without legal personality*” introduced into the Italian legal system, a regimen of administrative liability lying with companies for crimes committed in the interests or to the benefit of the company itself, by directors, managers or employees.

The Board of Directors, in a decision made on 26 July 2016, adopted an “Organisation, Management and Control Model” in accordance with Italian Legislative Decree no. 231/2001 (the “**Model**”) and the Code of Ethics, of which it forms an integral part, in order to clearly define all the values recognised, accepted and shared by the Issuer, as well as all rules of conduct and principles of legality, transparency and correctness to apply in pursuing its business and the various relations with third parties.

The Model has been prepared with a view to preventing the committing of crimes envisaged by the Legislative Decree and is inspired by the guidelines used to prepare the Organisational Models issued by Confindustria and other reference trade associations.

The Model consists of a “General Part” and a “Special Part”. The general part essentially lays down the guiding principles for carrying out the corporate business, describing how the Supervisory Body is established and how it operates and explaining the sanction system. The special part explains the control protocols of corporate business considered “sensitive” in accordance with Italian Legislative Decree no. 231/2001 and includes some procedures for their timely discipline.

The adoption of the Model provides a tool that fosters the conduct of company business according to principles of correctness and transparency, thereby protecting the company's image, the work of employees and collaborators and, at the same time, fostering greater efficiency.

The Organisational Model is, by definition, “dynamic”: every year, the need is assessed to update the Organisational Model in respect of regulatory and organisational changes as well as with reference to any breaches thereof. Application checks are also carried out.

The Model is regularly updated, most recently by resolution passed by the Board of Directors on 11 December 2020, to take into account both new legislation on predicate offences and the changes that have been made in the meantime to the Company’s organisational structure.

In the version currently in force, the most sensitive activities have been identified as relations with the public administration, corporate crimes and market abuse.

The Issuer’s Organisational Model and Code of Ethics are available for consultation on its website, at: <https://www.alkemy.com/governance/>





The Supervisory Body was appointed by resolution passed on 27 May 2019 and is made up of two external members and one internal member. At the date of this Report, the Supervisory Body has the following members:

- Stefano Goldstein (Chairman)
- Gabriele Gualeni (Chairman of the Board of Statutory Auditors)
- Cristina Gentile (Head of the legal area and employee of Alkemy).

During the Financial Year, the Supervisory Body met 6 (six) times:

- 7 February 2022
- 21 February 2022
- 12 May 2022
- 5 July 2022
- 7 September 2022
- 10 November 2022.

The Supervisory Body and the Board of Auditors have shared an open communication channel to facilitate a continuous exchange of information and the attendance by the Board of the regular meetings.

Taking into account the work of the Supervisory Body, the Board of Directors assigns it an annual budget to be spent on going about its activities, in complete financial and managerial autonomy. This budget is updated over time, as necessary, depending on the specific needs that may arise, as noted by the Supervisory Body. The Supervisory Body will notify the Board of Directors of any overrun of the budget brought about by specific needs.

#### **9.5. Independent auditing firm**

The company appointed to perform the statutory audit of the Issuer's accounts is KPMG S.p.A. ("**KPMG**" or the "**Independent Auditing Firm**"), with registered and administrative office in Milan, at via Vittor Pisani, n. 25, registered with the Register of Statutory Auditors pursuant to Articles 6 *et seq.* of Italian Legislative Decree no. 39/2010, as amended by Italian Legislative Decree no. 135 of 17 July 2016.

On 25 June 2019, the Issuer's Shareholders' Meeting, in view of the listing and consequent assumption of the status of public interest entity in accordance with Art. 16 of Italian Legislative Decree no. 39 of 27 January 2010 as subsequently amended, resolved to appoint the Independent Auditing Firm, with effect from the Trading Start Date, to perform the statutory audit of accounts (including the verification that accounts were kept properly and events correctly noted in the accounting records) in accordance with Articles 13 and 17 of Italian Legislative Decree no. 39 of 2010, for the duration of nine financial years.



## 9.6. Corporate Accounting Reporting Officer and other corporate roles and functions

On 10 July 2019, the Board of Directors appointed Claudio Benasso as the manager appointed to prepare the company's accounting documents (the “**Chief Financial Officer**”); his appointment took effect on the Trading Start Date (17 December 2019). On this occasion, the Board of Directors acknowledged that Claudio Benasso was fit to hold this office, also in view of the professionalism required by Art. 29 of the Articles of Association, in accordance with which the Chief Financial Officer must be an expert in administration and control matters or in the performance of managerial or consulting duties in listed companies and must meet the requirements of integrity established for auditors.

In accordance with Art. 154-bis of the Consolidated Law on Finance, the Chief Financial Officer:

- prepares written declarations accompanying the Company's acts and communications to the market and relating to accounting disclosures, including interim versions;
- prepares adequate administrative and accounting procedures for the drafting of the annual financial statements and, where required, the consolidated financial statements and any other financial disclosure;
- certifies, with a specific report on the annual financial statements, the condensed interim financial statements and, where prepared, the consolidated financial statements: (i) the adequacy and effective application of the administrative and accounting procedures for the preparation of the annual financial statements; (ii) that the documents are prepared in compliance with applicable international accounting standards recognised by the European Community in compliance with Regulation (EC) no. 1606/2002 of the European Parliament and of the Council of 19 July 2002; (iii) that the documents are consistent with the results of the accounting books and ledgers; (iv) the suitability of the documents to providing a truthful and correct representation of the Issuer's equity, economic and financial position and that of all companies included in the consolidation; (v) for the annual and consolidated financial statements, that the report on operations includes a reliable analysis of the operating result and performance, as well as of the position of the issuer and all companies included in the consolidation, together with a description of the main risks and uncertainties to which they are exposed; and (vi) for the condensed interim financial statements, that the interim report on operations contains a reliable analysis of the information pursuant to Art. 154-ter, paragraph 4 of the Consolidated Law on Finance.

\*.\*.\*

Finally, please note that during the meeting held on 4 March 2022, taking into account the size, sector, complexity and risk profile of the Company, the Board of Directors chose to defer its assessment of whether or not to establish additional company departments (*e.g.* the Risk Management Department, the Legal Risk and Non-Conformity Department) until completion of the update of the risk



assessment of the internal control system launched in 2022 and to there verify the adequacy of the professionalism and any resources assigned to such departments

### **9.7. Coordination between the parties involved in the Internal Control and Risk Management System**

At present, the Company has considered there to be no need to provide for formal methods of coordination between the various subjects involved in the internal control and risk management system, operating in a spirit of mutual collaboration.

Note, moreover, that the departments involved operate in an integrated, inter-dependent manner, reporting periodically on the results of the respective activities to the Control and Risks Committee, attended permanently by the Board of Auditors and Chief Financial Officer. The Company also believes that the presence of an Auditor in the Supervisory Body makes it possible to assure the coordination required between the various subjects involved in the internal control and risk management system.

## **10. INTERESTS OF THE DIRECTORS AND RELATED PARTY TRANSACTION**

During the year, Alkemy applied the Related Party Transaction Procedure in force since 10 July 2019 (the “**RPT Procedure**”) in compliance with the provisions of the Related Party Transaction Regulation adopted by Consob by resolution no. 17221 of 12.3.2010, as amended, since the Trading Start Date, assuring its transparency and substantive and procedural correctness.

The RPT Procedure is available for consultation in the Corporate Governance/Documents and Procedures section of the website [www.alkemy.com](http://www.alkemy.com).

With specific reference to its duties as Related Parties Committee, the Control Risks and Sustainability Committee never met during the Financial Year.

The Company believes there is no need to adopt, in addition to the RPT Procedure and the disclosure obligations laid down by Art. 2391 and Art. 2391-bis of the Italian Civil Code, as amended by Italian Legislative Decree no. 49 of 10.05.2019, any specific procedure and/or operating solutions by which to identify and suitably manage situations in which a Director has a personal or third party interest.

## **11. APPOINTMENT OF STATUTORY AUDITORS**

### **11.1. Appointment and replacement**

Auditors are appointed by the shareholders’ meeting on the basis of lists submitted by shareholders.



The list for the appointment of the auditors may be submitted by those shareholders who, at the time of presenting the list, are the holders, on their own or jointly, of a number of shares that is at least Equal to the shareholding determined by Consob with Managerial Resolution no. 76 passed on 30 January 2023, in accordance with the applicable regulatory provisions, for the purpose of presenting the list for the appointment of the Board of Directors set out previously. This share is 4.5%.

The lists shall be submitted within the period prescribed by the applicable legislation *pro tempore* referred to in the convocation notice, at the Company's registered office or through remote communication means, as stated in the notice, and made public within the time and in the manner laid down by applicable legislation and regulations in force *pro tempore*.

If only one list has been filed on the deadline set for the presentation of the lists, additional lists can be presented until the third day after this date, by the shareholders who, at the time of presenting the list, are the holders, on their own or jointly, of a number of Shares that is at least equal to half of the minimum shareholding requested by the foregoing provisions.

Each list:

- must specify the name of one or more candidates to the office of regular auditor and of one or more candidates to the office of alternate auditor, marked in each section ("regular auditors" section, "alternate auditors' section) by a progressive number, in a number not exceeding the members of the body to be elected;
- - must specify, if containing a number of candidates that in total is equal to or exceeding 3, a list of candidates in both sections that is such to guarantee that the composition of the Board of Auditors, both in the regular and alternate component, respects the legal and regulatory provisions in force from time to time with regard to male and female gender balance, notwithstanding that this must be rounded up if the application of the gender quotas does not result in a whole number according to the applicable laws and regulations in force from time to time;
- must have an attachment for the documentation required by the Articles of Association and any other additional or different declarations, information and/or document envisaged by the law and applicable regulatory provisions.

Each shareholder, as well as the shareholders belonging to a same corporate group and the shareholders participating in a relevant shareholders' agreement pursuant to Article 122 of the Consolidated Law on Finance, may not present or contribute to presenting, not even via proxy or a trust company, more than one list or vote for different lists.

Each candidate may be present in only one list, upon penalty of ineligibility.

- A) If one or more lists have been presented, these are voted on and the Board of Auditors is formed based on the provisions below:



- candidates from the two lists with the highest number of votes will be elected, according to the following criteria: (i) from the list that obtained the highest number of votes ("**Majority List for the Board**"), 2 regular auditors and 1 alternate auditor are taken, according to the progressive order in which they are listed in the list; (ii) from the second list that obtained the highest number of votes and that is not connected, not even indirectly, with the shareholders who submitted, or with those who voted for, the Majority List for the Board, the third regular auditor ("**Minority Auditor**"), who becomes the Chairman of the Board of Auditors, and the second alternate auditor ("**Minority Alternate Auditor**") are taken, according to the progressive order in which they are listed in the list;
  - in the event of a tie of votes among the lists, the meeting votes once again, exclusively with regard to the tied lists, with the list that obtains the highest number of votes prevailing;
  - if, with the methods specified above, the legal and regulatory provisions in force from time to time are not met with regard to gender balance, including the rounding up if the application of the gender quotas does not result in a whole number, the candidate to the office of standing or alternate auditor of the most represented gender, elected as the last one in progressive order, from the Majority List is excluded and replaced by the next candidate to the office of standing or alternate auditor taken from the same list, from the other gender.
- B) If only one list has been presented, the meeting casts its vote on it and, if this obtains the majority of the votes, three regular auditors and two alternate auditors specified in the list as candidates for these offices are elected, in accordance with the regulatory provisions in force from time to time, also with regard to gender balance, including the rounding up if the application of the gender quotas does not result in a whole number.
- C) In the absence of lists or if it is not possible to appoint the board of auditors with the methods required by this article for whatever reason, the three regular auditors and the two alternate auditors are appointed by the meeting with the ordinary majorities required by law, in accordance with the legal and regulatory provisions in force from time to time, also with regard to gender balance, including the rounding up if the application of the gender quotas does not result in a whole number.

If a regular auditor should stand down from office, for any reason and without prejudice to compliance with the provisions of law and regulations in force over time on gender balance, proceed as follows: (i) if a regular auditor taken from the Majority List for the Board should cease office, the alternate auditor taken from the Majority List for the Board shall take over from him; (ii) if the Minority Auditor, and Chairman of the Board, should cease office, he is replaced by the Minority Alternate Auditor, who takes over the role of Chairman. If, for whatever reason, the terms specified above cannot be complied with, the shareholders' meeting must be called to supplement the board with the ordinary majorities and methods, without applying the list voting mechanism, notwithstanding the



compliance with the legal and regulatory provisions in force from time to time with regard to gender balance (male and female).

#### **11.2. MEMBERS AND OPERATION (PURSUANT TO ART. 123-BIS, PARAGRAPH 2, LETTERS D) AND D-BIS OF THE CONSOLIDATED LAW ON FINANCE)**

As specified by Art. 25 of the Articles of Association, the Board of Auditors numbers three regular auditors and two alternate auditors, who remain in office for three financial years, may be re-elected and stand down on the date of the shareholders' meeting convened to approve the financial statements for the third year of office.

The members of the Board of Auditors must fulfil the requirements of integrity, professionalism and independence as well as the requirements relating to the limit in the number of other appointments in accordance with the provisions, including the regulatory provisions, in force *pro tempore*. Matters pertaining to commercial law, corporate law, tax law, business economics, corporate finance, disciplines with the same or similar purpose, and subjects and areas pertaining to the Company's business sector, are considered closely related to the Company's scope of operations.

The Board of Auditors in office at the Report date was appointed by the Shareholders' Meeting on 26 April 2022 and will remain in office for three financial years, i.e. until the date of the shareholders' meeting called to approve the Financial Statements for the year ended at 31 December 2024.

Auditors were drawn entirely from the sole list submitted during said Shareholders' Meeting, submitted by the shareholders Duccio Vitali, Riccardo Cesare Lorenzini, Jakala Holding S.p.A., Lappentrop S.r.l. and Alessandro Mattiacci which at the time held a total of 20.52% of the share capital and 33.21% of voting rights.

Between the Financial Year end date and the date of this report, no changes were made to the members of the Board of Auditors, which is therefore made up as follows:

<b>Nominativo e data di nascita</b>	<b>Carica</b>	<b>In carica dal – Anzianità</b>
Gabriele Ernesto Urbano Gualeni	Chairman	26 April 2022 - 18 May 2012
Mauro Dario Riccardo Bontempelli	Regular	26 April 2022 - 18 May 2012
Daniela Elvira Bruno	Regular	26 April 2022 - 25 June 2019
Marco Garrone	Alternate	26 April 2022 - 18 May 2012



Mara Luisa Sartori	Alternate	26 April 2022 - 25 June 2019
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\* \* \*

**Gabriele Gualeni** – He graduated in Law in 1998 from the University of Milan. In 2000, he achieved the "15th Masters in Tax IPSOA" from the "Infor" Training School. In 2003, he earned qualification to act as forensic expert and registration with the Official List of Lawyers of Milan. In 2016, he registered with the Special List of Lawyers admitted for advocacy before the Court of Cassation and other Superior Jurisdictions. After having collaborated from June 1998 to October 1998 with the Pearlman & Associates law firm of London, from November 1998 to November 1999 he collaborated with the law firm of Prof. Riccardo Villata of Milan, dealing with administrative disputes. From October 2000 to December 2015, he was partner in the Valenti Law and Tax Firm of Milan, offering tax and corporate consulting, tax litigation and international tax planning. Since January 2016, he collaborated with the Cornelli Gabelli and Associates law and tax firm of Milan. He has acted, and continues to act, as Auditor and Director for various companies and in 2022 he founded the Studio Legale e Tributario Proxima Advisory.

**Mauro Dario Bontempelli** – He graduated in Business Economics in 1978 from "Bocconi" University of Milan. He has been registered on the Official List of Registered Accountants of Milan since 1979; he has been an official auditor of accounts since 1995, technical consultant for the Court of Milan since 1997 and banking conciliator. His professional consultancy work involves corporate, tax and accounting matters for Italian and foreign companies, as senior partner in the Bontempelli Accountancy Firm. He has acted, and continues to act, as Auditor for various companies. He has also held the following positions: Auditor of the Accounts of the Province of Milan from June 1997 to June 2000; Chairman of the Board of Auditors of the Accounts of the Province of Milan from June 2000 to July 2003; Head of the (newly-established) Inspectorate Service of the Province of Milan from January 2004 to September 2004; director of the company Isagro S.p.A., listed on the Milan stock exchange from 2003 to 2008; Auditor of the Accounts of the Municipality of Cesano Maderno (MB) from July 2010 to July 2013.

**Daniela Bruno** – She graduated in Business Economics in 1993 from Bocconi University in Milan and then continued her studies, obtaining a masters in Corporate Tax Law and a masters in International Tax Law, as well as, in 2013, a degree in law from the Catholic University of Milan. In 1993, she began her professional career as tax specialist, registered accountant and auditor with various tax firms and, in 2012, became a partner of the CGP law and tax firm. Since 2013, she has been teaching post-graduate masters and refresher courses for the Il Sole 24 ore Group and since 2018, she has been teaching for the Associazione Nazionale Tributaristi Italiani (Italian National Association of Tax Experts).

**Marco Garrone** – He graduated in Business Economics from the Luigi Bocconi Commercial University of Milan. He has been registered with the official list of registered accountants of Milan since 1999 and was appointed statutory auditor in 2002. He is a partner in the Bontempelli



*Accountancy Firm. His professional consultancy work involves corporate, tax and accounting matters for Italian and foreign companies. He has acted, and continues to act, as Auditor for various companies. He has been a technical consultant for the Court of Milan since 2004.*

***Mara Luisa Sartori** – She graduated in Law in 1995 from the University of Milan before then continuing her studies and, in 2002, achieving a research doctorate in international law and, in 2012, a masters in international mergers and acquisitions from the College of Law of England and Wales. She began her career in 1999, collaborating with various law firms and providing legal assistance and consultancy to Italian and foreign industrial groups in the negotiation of ordinary and extraordinary corporate operations. She collaborated with the Cornelli Gabelli and Associates law firm and in 2022 she founded the Studio Legale e Tributario Proxima Advisory.*

Reference is made to Table 3 “*Structure of the Board of Auditors*” given at the foot of this Report for additional details about the members of the Board of Auditors.

Il Collegio Sindacale si è riunito 8 (otto) volte nel corso dell'Esercizio; le riunioni hanno avuto una durata media di circa 2 (due) ore. Per l’esercizio 2023, il Collegio Sindacale ha programmato quattro riunioni a cui devono aggiungersi quelle ritenute necessarie per il corretto assolvimento delle sue funzioni. Alla data della presente Relazione il Collegio Sindacale si è già riunito in data 13 febbraio e 24 marzo.

The Board of Auditors met 8 (eight) times during the year; meetings lasted an average of 2 hours. For 2023, the Board of Auditors has scheduled four meetings, in addition to any considered necessary for the correct fulfilment of its duties. at the date of this Report, the Board of Auditors had already met on 13 February and 24 March.

The Board of Auditors goes about its duties professionally and independently in compliance with the law, the articles of association and the regulations adopted by the Issuer in application of the Corporate Governance Code.

The Board of Auditors maintains a constant exchange of information with the independent auditing firm and monitors that it remains independent, as it was at the time the appointment was made.

The Chairman of the Board of Auditors, or an Auditor he delegates, has attended all meetings of the Control, Risks and Sustainability Committee and the Remuneration Committee. There has also been a constant exchange of information with the Supervisory Body, of which, moreover, the Chairman of the Board of Statutory Auditors is a member.

In going about its duties, in view of the approval of the financial statements for the year, it liaised and continues to liaise regularly with the Internal Audit Department (since its appointment), with the Control and Risks Committee, with the Director in charge of the internal control and risk management system and with the Chief Financial Officer.





The Company believes that the extensive experience and competence of each of its members, who come from different, high profile professional backgrounds, constitute circumstances that are well able to assure the independence and professionalism of the function of the Board of Auditors, in application of Principle VIII.

No changes were made to the members of the Board of Auditors following Financial Year end.

### **Diversity policies**

The Articles of Association envisage the presence of a number of auditors of the gender less represented, of at least one third of the total number and that, if a list contains at least 3 (three) names of candidates, it must include a list of candidates in both sections (*i.e.* “regular auditors” and “alternate auditors”) that is such to guarantee that the composition of the Board of Auditors, both in the regular and alternate members, respects the legal and regulatory provisions in force from time to time with regard to male and female gender balance.

Although these rules will only apply to the first renewal of the Board of Auditors after that currently in office, the members of the Board of Auditors at today’s date is already compliant with the regulations laid down by Article 148, paragraph 1-bis of the Consolidated Law on Finance on gender balance.

During the meeting of 4 March 2022, the Board of Directors deemed it appropriate to formalise the practices already applied, adopting a policy on diversity in connection with the members of the administrative, management and control bodies relative to aspects such as age, gender composition and training and professional path, available on the Company website [www.alkemy.com](http://www.alkemy.com) Corporate Governance/Documents and Procedures section.

### **Independence**

The Auditors meet the requirements of integrity, professionalism and independence set by the law, the Articles of Association and the Corporate Governance Code.

The Board of Auditors assessed the independence of its members at the first opportunity after their appointment during the meeting of April 26<sup>th</sup>, 2022, on the basis of all information made available by Auditors. The results of this assessment was disclosed to the market on the same date. Similarly to the self-assessment process carried out by the Board of Directors, the Auditors have also assessed the members and operation of the Board of Auditors (also in compliance with the “*Rules of conduct of the Board of Auditors of listed companies*” of the Consiglio Nazionale dei Dottori Commercialisti e Revisori Contabili (Italian National Board of Registered Accountants and Auditors), April 2018 ed., standard Q.1.1.). Upon completion of the process, general satisfaction was recorded with how the body operated and its general contribution, as well as a positive climate within the Board of Auditors. An effective relationship was also seen with the Board and extensive collaboration with the internal



structures of Alkemy. The topics concerned by the review also included analysis of those relating to diversity aspects of the control body, also relevant in accordance with Art. 123-bis, paragraph 2, letter d-bis of the Consolidated Law on Finance.

The Board of Directors assessed the possession by the Board of Statutory Auditors of the requirements provided by applicable laws and regulation during the meeting of April 26<sup>th</sup>, 2022, as disclosed to the market on the same date, and acknowledged the results of the self-assessment of the Board of Auditors during the meetings of March 4<sup>th</sup>, 2022.

The Company has chosen not to predefine the quantitative and qualitative criteria to assess the significance of the significant circumstances in accordance with the Corporate Governance Code in terms of assessing the independence of Auditors, believing it preferable to perform such assessment each time, when verifying possession of the independence requirements, on the basis of the information received from the Auditors.

### **Remuneration**

The remuneration of Auditors is commensurate to the commitment required, the importance of the role as well as the dimensional and sectoral characteristics of the business. For more details on the remuneration of the Board of Auditors, please refer to the information given in the Report on Remuneration (Section I, Chapter F.2.5 and Section II, Chapter 1.1, § 1.2), published in the Corporate Governance/Shareholders Meeting/2023 section of the website [www.alkemy.com](http://www.alkemy.com).

### **Interest management**

The Company has not presently considered it necessary to formalise and establish procedures for the obligation for the auditor, on his own behalf or for third parties, with an interest in a given Company transaction, to promptly and fully inform the other auditors and the Chairman of the Board of Directors of the nature, terms, origin and scope of such an interest, seeing that there is full collaboration and dialogue in this respect with all Auditors, who act transparently, in compliance with the provisions of the law and with the recommendations of the Corporate Governance Code.

## **12.SHAREHOLDER RELATIONS**

### **Access to information**

The Board of Directors will endeavour to provide timely information and relevant documents for shareholders. To this end, the Company updates its website, which dedicates a specific section to Investor Relations. This section is easily accessible from the home page of the institutional website.

Emanuela Cecilia Salvini heads the Investor Relations Department, managing the flow of information towards shareholders, financial analysts and retail and institutional investors, guaranteeing complete



compliance with the principles of transparency and equal treatment of all parties in respect of the rules established for corporate disclosures.

The Company is very much committed to ensuring the correct information for investors, the financial market in general and the press, in respect of the laws and regulations and with specific reference to legislation governing inside information. In this regard, press releases are issued regularly, regular meetings held with institutional investors and the financial community, conference calls, participation in industry conferences and the constantly updated documentation is made available on the Company's institutional website.

### **Dialogue with shareholders**

During the meeting held on 4 March 2022, the Board of Directors sought to formalise the procedures and rules governing non-shareholders' meeting dialogue between the Board and the Shareholders on matters coming under the board's purview, and adopted a Policy to manage dialogue with shareholders (the “**Dialogue Policy**”); this also aimed to increase the level of transparency and dialogue with the Shareholders, promoted by Directive 2007/36/EC, as amended by Directive (EU) 2017/828 (the “SHRD”) with reference to institutional investors and asset managers, as a tool able to foster the creation of long-term value, also taking into account the standards to which Alkemy adheres as company listed on the Euronext STAR Milan segment of the Borsa Italiana Euronext Milan Market.

After having listed the general principles of transparency, equal treatment and information symmetry, timeliness, continuity and compliance, the Dialogue Policy identifies the reference units, the dialogue channels (website, social channels, storage mechanism and other specific channels) and the procedures for the publication of press releases and other information. The Dialogue Policy identifies and also regulates contents and forms of dialogue as well as the related procedures and timing.

The Company, according to international best practices, has performed dialogue activities for years several, through communication channels managed by the relevant internal departments, such as recurring conference calls in which the Company has disclosed financial results, or one-to-one calls with investors and stakeholders, meetings and road-shows with shareholders and analysts, and through the management of the institutional website, social media platforms, and dedicated telephone lines.

The Policy governing dialogue with shareholders is published on the website [www.alkemy.com](http://www.alkemy.com), in the Corporate Governance/Documents and Procedures section.

## **13. SHAREHOLDERS' MEETINGS**

In both an ordinary and extraordinary session, shareholders' meetings are held at a single call, in accordance with Article 2369, paragraph 1 of the Italian Civil Code, but the Board of Directors can,



if it sees fit and by duly indicating this in the call notice, establish that the shareholders' meeting (ordinary and/or extraordinary) shall be held in multiple calls, in which case the majorities envisaged by the law for shareholders' meetings with multiple calls of companies with shares traded on regulated markets, shall apply.

The Board of Directors is in charge of calling the meeting, notwithstanding the power of the Board of Auditors or of at least two members of it to proceed with the call, pursuant to Article 151 of the Consolidated Law on Finance and the other applicable regulatory provisions.

In accordance with Article 12 of the Articles of Association, entitlement to attend the shareholders' meeting is certified by a Company communication, made by the intermediary qualified to keep the accounts in accordance with the law, on the basis of the evidence of the accounting records relative to the end of the accounting day of the seventh trading day prior to the date scheduled for the shareholders' meeting at sole call, and received by the Company by the legal deadline.

Those entitled to intervene in the meeting may be represented by proxy according to the law. The electronic notification of the proxy may be made, according to the methods specified in the notice of call, via e-mail to be sent to the certified e-mail address stated in the notice itself or by using any other methods specified therein.

The Company may designate, for each shareholders' meeting, with indication contained in the notice of call, a subject who the shareholders may delegate with voting instructions on all or some proposals on the agenda, according to the terms and methods established by law.

The shareholders' meeting can be held with interventions in several separate places, that may be nearby or distant, audio/video connected, as long as the collegial method and principles of good faith and equal treatment of shareholders are respected, as well as all other conditions laid down by the Articles of Association.

The Shareholders' Meeting shall adopt decisions, at both ordinary and extraordinary Shareholders' Meetings, regarding the matters reserved for it by law and the Articles of Association, and with the majorities established by law.

The shareholders' meeting is chaired by the Chairman of the Board of Directors. In the event of the absence or impediment of the latter, the Deputy Chairman, if appointed, shall preside, or in the event of the absence or impediment of the latter, the person designated by the Shareholders' Meeting.

The tasks, powers and duties of the Chairman are governed by the law.

In accordance with Art. 17 of the Articles of Association, the Chairman is assisted by a secretary designated by the shareholders' meeting, on his proposal, who is tasked with drawing up the minutes of the meeting.



In extraordinary shareholders' meetings, and when the Chairman in any case deems it appropriate, the role of secretary is entrusted to a notary, in accordance with the law, designated by the Chairman.

The minutes of the meeting are drawn up in compliance with Article 2375 of the Italian Civil Code and other current provisions of law and regulations.

Meetings are held in compliance with the law and Articles of Association and governed by the Meeting Regulation approved by the Shareholders' Meeting held on 25 June 2019, with effect subject to the Trading Start Date of the Company's shares on the telematic stock market organised and managed by Borsa Italiana S.p.A. and published on the Company's website [www.alkemy.com](http://www.alkemy.com) in the Corporate Governance/Shareholders' Meeting/Shareholders' Meeting 24-25 June 2019 section.

The Meeting Regulation has been adopted with a view to regulating the orderly, functional conduct of meetings and to facilitate the exercise of rights by shareholders.

More specifically, in accordance with Art. 11 of the Meeting Regulation, all those intending to speak must ask for permission from the Chairman or the Secretary, explaining which subject they wish to discuss. The request can be made as long as the Chairman has not declared the discussion on the subject to which the request for intervention refers, over.

The Chairman shall direct and regulate discussion, ensuring that debate takes place correctly and preventing any disturbance of the regular conduct of the meeting.

Considering the subject and importance of the individual items on the agenda, the Chairman shall determine at the start of the meeting, how long shall be assigned to each speaker for their interventions. This provision shall also apply in the event of the unitary discussion on multiple items of the agenda.

The Chairman reminds those in attendance to respect to limits set in advance for their interventions and to keep to the items on the agenda. In the event of excess and/or abuse, the Chairman has the right to prevent the person responsible from continuing and, in more serious cases, to order that they be removed from the room for the remainder of the discussion.

Attendees may request the floor a second time during the course of the same discussion, but for no more than five minutes and only to reply or make declarations relating to voting.

Members of the Board of Directors and Auditors may also intervene in discussion; on the request of the Chairman, managers and employees of the Company or Group companies and other persons whose presence is held to be useful in connection with the subjects for discussion, may also take the floor to provide answers to any requests for clarification.

The shareholders' meetings held during the year were attended by all directors in office. The administrative body has also always striven to ensure that shareholders receive suitable information, both before the Shareholders' Meetings and during, on all elements necessary to allow them to make



informed decisions, in particular through the publication on the website of documentation relating to the items on the agenda, including the Directors' Report on the items on the agenda.

The Board of Directors did not believe there was any need to submit grounded proposals to the Shareholders' Meeting on the definition of a corporate governance system more in line with the corporate needs.

It is also noted that the members of Board Committees did not believe it necessary to report to shareholders on how the committees go about their duties, as full explanations had been given in the Report on Corporate Governance and Ownership Structures relative to FY 2021.

#### **14. ADDITIONAL CORPORATE GOVERNANCE PRACTICES (PURSUANT TO ART. 123-BIS, PARAGRAPH 2, LETTER A) SECOND PART OF THE CONSOLIDATED LAW ON FINANCE)**

There are no additional corporate governance practices over and above those described in the previous Sections.

#### **15. CHANGES SINCE THE CLOSURE OF THE REFERENCE FINANCIAL YEAR**

No changes have been made since year end in the Issuer's corporate governance with respect to that described in this Report.

#### **16. CONSIDERATIONS ON THE LETTER OF JANUARY 25<sup>TH</sup> 2023 FROM THE CHAIRMAN OF THE CORPORATE GOVERNANCE COMMITTEE**

During the meeting on March 27th, 2023, the Chairman of the Board of Directors informed the directors and the Board of Auditors of the recommendations given in the letter sent on January 25th, 2023 by the Chairman of the Borsa Italiana Corporate Governance Committee, addressed to the Chairmen of the corporate bodies of listed companies and their chief executive officers, already assessed by the related recipients, and expressed the following considerations.

##### **a) On the subject of the acceptance of the new Corporate Governance Code**

Considering that the new Corporate Governance Code possessed the adequate characteristics to represent a suitable code of conduct for all the listed companies on the Italian market, the Committee encourages all those companies who still have not complied to reconsider this choice by taking into account the increasingly higher margins of flexibility and proportionality offered by the new Code



and the substantial neutrality of its Principles with respect to the legal framework of the country of incorporation and the business model (one-tier, two-tier, or traditional).

Since its stock exchange listing, Alkemy has fully complied with the new Corporate Governance Code.

**b) On the subject of the information on the implementation of the Code**

The Committee encourages the listed companies to briefly report all essential information indicating compliance with the specific recommendations of the Code or their waiver, providing due motivations, as per the Format by Borsa Italiana. On this note, the Company has already adjusted to the aforementioned recommendations.

**c) Specific recommendations for 2023**

**(i) On the subject of dialogue with shareholder**

The Committee encourages the listed companies to adopt a policy of open dialogue with shareholders, which includes the possibility for investors to initiate contact, providing incremental ways and procedures, based on the principle of proportionality, depending on the characteristic of the business in terms of size and ownership structures. In 2022, the Company adopted a Policy to manage dialogue with shareholders, which includes instructions to initiate dialogue on the initiative of investors.

**(ii) On the subject of dialogue with other relevant stakeholders**

The Company has already complied with the recommendation by the Committee on the inclusion in this Report of adequate information on the criteria and the modalities with which the governing body has promoted dialogue with other relevant stakeholders.

**(iii) The assignment of managing powers to the Chairman**

The Chairman of the Company, being granted of managing powers related to M&A, despite being considered Executive Director, does not exercise a managerial role and, therefore, cannot be qualified as CEO. In this Report, the Company has provided adequate motivations regarding the powers and the roles of the Chairman and the CEO.

**(iv) Information before the Board of Directors meeting**

The Committee encourages the governing bodies to establish procedures to regulate manage the informativa pre-consiliare which shall not include general provisions exempting from the timely execution the information for purposes of data and information confidentiality. On this subject, we



shall remind that the Rules of the Board of Directors govern the operation of the body, including the minute-taking procedure and the procedures to manage the information to the Directors.

Upon the approval of the Rules, the deadline to submit the information has been met, with few isolated exceptions whose documentation has been made available the day before the meeting or during the meeting itself. The Chairman ensured adequate information to all those participants on the items on the agenda and adequate time for any investigation deemed helpful for a proper and complete comprehension of the subject.

**(v) Participation of the top management to Board meetings**

The Committee encourages companies to define in their adopted rules of the board of directors and the internal committees, how these bodies can access relevant business functions based on the subject at hand, under coordination by the Chairman of the board of directors or the committee, as agreed upon with or after informing the CEO. The Managers of the Company and the Group are often invited to participate in board meetings based on their specific technical competences or geographical area.

This Report provides the relevant information.

**(vi) Optimal composition guidelines**

The Committee reiterates the importance for the board to express, at least in the non-concentrated ownership companies, before its future appointment, some guidelines on its optimal composition, and encourages the companies to release these guidelines with due notice in order to allow the shareholders presenting lists to consider those guidelines for the purpose of the list composition.

Al riguardo si segnala che, in vista del rinnovo del consiglio di amministrazione nominato dall'assemblea del 26 aprile 2022, la Società ha approvato l'orientamento del consiglio di amministrazione agli azionisti sulla composizione quantitativa e qualitativa ritenuta ottimale del nuovo consiglio di amministrazione.

On this subject it is noted that, in view of the renewal of the board of directors appointed by the shareholders meeting on April 26<sup>th</sup>, 2022, the Board of Directors approved the Guidelines for the shareholders on the quantitative and qualitative composition deemed optimal for the new Board of Directors.

**(vii) Criteria for assessing the significance of the relationship which may condition the independence of a director**

The Committee reiterates the importance of defining *ex-ante* and disclose in the Report on the corporate governance and ownership structures the quantitative and qualitative parameters to assess





the significance of any commercial, financial and professional relationship and any additional remuneration which may condition the independence of a director. The Committee encourages the companies to evaluate the opportunity to include quantitative parameters, which may also be defined monetarily or as a percentage of the remuneration attributable for the role and for any roles in committees recommended by the Corporate Governance Code.

On this note, we shall inform that, by adopting the Rules of the Board of Directors, the Company has already defined both the notions of “significant commercial, financial and professional relationship”, and “significant additional remuneration” pursuant to Recommendation 7 of the Corporate Governance Code.

**(viii) Transparency of remuneration policies about variable considerations**

The Committee encourages the companies to include in their remuneration policies for the CEO and other executive directors an executive summary, in the shape of a table, which shows the composition of the remuneration package, with indication of the characteristics and the weight of fixed and long-term and short-term variable considerations, at least in case of reaching the target for variable considerations.

On this note, we shall inform that the Alkemy Remuneration Policy contains the aforementioned executive summary.

**(ix) Long-term horizons in remuneration policies**

The Code recommends the remuneration policy for executive directors and top management define an adequate balance between fixed and variable considerations, the latter representing a significant part of the overall remuneration. When defining the parameters for variable remuneration, the Code recommends such parameters be predetermined, measurable and significant linked to a long-term horizons, consistent with the Company’s strategic goals, and aimed to promote its sustainable success.

The Company has already complied with such recommendation by having assigned to their managers medium-long period objectives through their remunerations (variable as it is also linked to the Group’s performance) as per the four-year Long Term Incentive Plan (until the end of 2023). On this note the new 2024-2026 LTIP shall be submitted for approval at the Shareholders’ Meeting of April 27<sup>th</sup>, 2023.

**(x) ESG parameters for Directors’ remuneration**

The Committee encourages those companies which possess sustainability-based incentive schemes for CEOs and other executive directors to provide clear indications of the specific performance goals



to achieve. On this note we shall highlight that the 2024-2026 LTIP that shall be submitted the Shareholders' Meeting will include ESG objectives, namely, ESG Company Rating, Customer Satisfaction e People Engagement.



## TABLES

**TABLE 1: INFORMATION ON THE OWNERSHIP STRUCTURE AT MARCH 27 2023**

<b>STRUCTURE OF THE SHARE CAPITAL</b>				
	No. of shares	No. Of voting rights	Listed (specify the markets)/not listed	Rights and obligations
Azioni ordinarie	5,685,460	6,822,660	Euronext STAR Milan	No. 1,137,200 shares with increased vote (double vote)
Azioni privilegiate	=	=	=	=
Azioni a voto plurimo	=	=	=	=
Altre categorie di azioni con diritto di voto	=	=	=	=
Azioni risparmio	=	=	=	=
Azioni risparmio convertibili	=	=	=	=
Altre categorie di azioni senza diritto di voto	=	=	=	=
Altro	=	=	=	=

<b>OTHER FINANCIAL INSTRUMENTS</b> (attributing the right to subscribe newly issued shares)				
	Listed (indicate markets)/not listed	No. of instruments in issue	Category of shares servicing conversion/exercise	No. of shares servicing conversion/exercise
Convertible bonds	=	=	=	=
Warrant	=	=	=	=



RELEVANT SHAREHOLDINGS (*)			
Declarant	Direct shareholder	% share of ordinary share capital	% share of voting share capital
Duccio Vitali	Duccio Vitali	10.48%	15.00%
Tamburi Investment Partners S.p.A.	Star TIP s.r.l.	=	7.58%
CIP Merchant Capital Limited	CIP Merchant Capital Limited	=	6.78%
Lorenzini Riccardo Cesare	Lorenzini Riccardo Cesare	6.25%	10.31%

*(\*)Data resulting exclusively from communications sent by shareholders pursuant to art. 120 Consolidated Law on Finance as of March 27, 2023*



**TABLE 2: STRUCTURE OF THE BOARD OF DIRECTORS AT THE END OF THE FINANCIAL YEAR**

Board of Directors													
Office	Members	Year of birth	Date of first appointment (*)	In office since	In office until	List (presenters) (**)	List (M/m) (***)	Exec.	Non-exec.	Indep. Code	Indep. Consolidated Law on Finance	No. other appointments (****)	Attendance (*****)
<b>Chairman</b>	Mattiacci Alessandro	1971	18/05/2012	26/04/2022	App. FS 31/12/2024	Shareholders	M	x				=	9/9
<b>Chief Executive Officer (•) (◇)</b>	Vitali Duccio	1969	18/05/2012	26/04/2022	App. FS 31/12/2024	Shareholders	M	x				=	9/9
<b>Director</b>	Lorenzini Riccardo C.	1957	18/05/2012	26/04/2022	App. FS 31/12/2024	Shareholders	M		x			=	9/9
<b>Director</b>	Canturi Massimo	1958	23/07/2020	26/04/2022	App. FS 31/12/2024	Shareholders	M	x				1	9/9



<b>Director</b>	Villa Ada Ester Giovanna	1977	26/04/2022	26/04/2022	App. FS 31/12/2024	Shareholders	M		x	x	x	=	5/5
<b>Director</b>	Bianchi Frangipane Giulia	1977	25/06/2019	26/04/2022	App. FS 31/12/2024	Shareholders	M		x	x	x	=	8/9
<b>Director</b>	Sala Serenella	1961	25/06/2019	26/04/2022	App. FS 31/12/2024	Shareholders	M		x	x	x	=	6/9

----- **DIRECTORS WHO LEFT DURING THE FINANCIAL YEAR** -----

<b>Deputy Chairman</b>	Massone Vittorio	1966	13/02/2020	13/02/2020	App. FS 31/12/2021	Shareholders	M	x				=	4/4
<b>Director</b>	Di Camillo Andrea	1970	16/11/2017	25/06/2019	App. FS 31/12/2021	Shareholders	M		x	x	x	=	2/4
<b>Director</b>	Abeltino Giorgia	1976	25/06/2019	25/06/2019	App. FS 31/12/2021	Shareholders	M		x	x	x	=	3/4

**Number of meetings held during the Financial Year: 9 (nine)**



**Quorum required for the submission of lists by minority shareholders for the election of one or more members (pursuant to Art. 147-ter of the Consolidated Law on Finance): 4,5%**

The symbols indicated below must be inserted in the column "Office":

- This symbol indicates the Director in charge of the internal control and risk management system.
- ◊ This symbol indicates the main party responsible for the management of the issuer (Chief Executive Officer or CEO).
- This symbol indicates the Lead Independent Director (LID).

(\*) First appointment date of each director means the date on which the director was appointed for the first time (absolutely) in the Issuer's BoD.

(\*\*) This column indicates whether the list from which each director was drawn was submitted by shareholders (indicating "Shareholders") or by the Board of Directors (indicating "Board of Directors").

(\*\*\*) This column indicates whether the list from which each director has been drawn is "majority" (indicating "M"), or "minority" (indicating "m").

(\*\*\*\*) This column indicates the number of assignments as director or auditor covered by the interested party in other companies listed on regulated markets or those of significant dimensions. In the Corporate Governance Report, appointments are indicated in full.

(\*\*\*\*\*) This column indicates the attendance of the directors at meetings of the BoD (indicate the number of meetings he attended compared to the overall number of meetings he could have attended; e.g. 6/8; 8/8 etc.).



**TABLE 3: STRUCTURE OF THE BOARD COMMITTEES AT THE END OF THE FINANCIAL YEAR**

<b>B.o.D.</b>		<b>Executive Committee</b>		<b>RPT Committee</b>		<b>Control, Risks and Sustainability Committee</b>		<b>Remuneration Committee</b>		<b>Appointments Committee</b>		<b>Other Committee</b>		<b>Other Committee</b>	
<b>Office/Qualification</b>	<b>Members</b>	(*)	(**)	(*)	(**)	(*)	(**)	(*)	(**)	(*)	(**)	(*)	(**)	(*)	(**)
Non-Executive Director	Lorenzini Riccardo Cesare	=	=	Function performed		=	=	2/2	M	Function performed		=	=	=	=
Independent Director	Bianchi Frangipane G.	=	=	from the CRSC		3/5	M	3/5	M	from the BoD		=	=	=	=
Independent Director	Villa Ada Ester G.	=	=	=	=	3/3	P	=	=	as a		=	=	=	=
Independent Director	Sala Serenella	=	=	=	=	3/3	M	5/5	P	whole		=	=	=	=





----- DIRECTORS WHO LEFT DURING THE FINANCIAL YEAR -----														
Independent Director	Di Camillo Andrea	=	=	=	=	2/2	P	2/3	M	=	=	=	=	=
Independent Director	Abeltino Giorgia	=	=	=	=	2/2	M	=	=	=	=	=	=	=
----- ANY MEMBERS WHO ARE NOT DIRECTORS -----														
None														
<b>No. of meetings held during the Financial Year</b>						5		5						
NOTE														
(*) This column indicates the attendance of the directors at meetings of the committees (indicate the number of meetings s/he attended compared to the total number of meetings s/he could have attended; e.g. 6/8; 8/8 etc.).														
(**) This column indicates the qualification of the director within the Committee: "P": chairman; "M": member.														



**TABLE 4: STRUCTURE OF THE BOARD OF AUDITORS AT THE END OF THE FINANCIAL YEAR**

<b>Office</b>	<b>Members</b>	<b>Year of birth</b>	<b>Date of first appointment (*)</b>	<b>In office since</b>	<b>In office until</b>	<b>List (M/m) (**)</b>	<b>Indep. Code</b>	<b>Attendance of BoA meetings (***)</b>	<b>No. other appointments (****)</b>
<b>Chairman</b>	Gualeni Gabriele Ernesto Urbano	1974	18/05/2012	26/04/2022	App. FS 31/12/2024	M	x	8/8	8
<b>Regular Auditor</b>	Bontempelli Mauro Dario	1954	18/05/2012	26/04/2022	App. FS 31/12/2024	M	x	8/8	5
<b>Regular Auditor</b>	Bruno Daniela Elvira	1969	25/06/2019	26/04/2022	App. FS 31/12/2024	M	x	8/8	17
<b>Alternate Auditor</b>	Garrone Marco	1963	18/05/2012	26/04/2022	App. FS 31/12/2024	M	x	=	7
<b>Alternate Auditor</b>	Sartori Mara Luisa	1971	25/06/2019	26/04/2022	App. FS 31/12/2024	M	x	=	5

**Number of meetings held during the Financial Year: 8 (eight)**



***Quorum* required for the submission of lists by minority shareholders for the election of one or more members (pursuant to Art. 147-ter of the Consolidated Law on Finance: 4,5%**

**NOTE**

(\*) Date of first appointment of each auditor means the date on which the auditor was appointed for the first time (absolutely) in the Issuer's board of auditors.

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

(\*\*\*) This column indicates the attendance of the auditors at meetings of the board of auditors (indicate the number of meetings he attended compared to the overall number of meetings he could have attended; e.g. 6/8; 8/8 etc.).

(\*\*\*\*) This column indicates the number of assignments as director or auditor covered by the interested party in accordance with Art. 148-bis of the Consolidated Finance Law and the respective implementing provisions contained in the CONSOB Issuers' Regulation. The complete list of positions is published by Consob on its website under the terms of article 144-quinquiesdecies of the Issuers' Regulation.