



Report on corporate governance
and ownership structure

COMPANY DATA

▶ PARENT COMPANY'S REGISTERED OFFICE

Cerved Group S.p.A.

Via dell'Unione Europea, 6A, 6B
San Donato Milanese (MI)

▶ PARENT COMPANY'S STATUTORY DATA

Subscribed and paid-in share capital of Euro 50.521.142,00

Milan Company Register n. 08587760961

Milan R.E.A. n. 2035639

Tax I.D. and VAT n. 08587760961

Web site: company.cerved.com



Report on corporate governance and ownership structure

Pursuant to Article 123-bis of Legislative Decree 58 of 24 February 1998
(Traditional management and control model)

Cerved Group S.p.A.
Financial Year 2020
Approved by the Board of Directors
on 25 March 2021



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Introduction

Cerved Group S.p.A. (“**Cerved**” or the “**Issuer**” or the “**Company**”) has been listed on the Italian Equities Market organised and managed by Borsa Italiana S.p.A. (“**Borsa Italiana**”), since 24 June 2014.

This report (the “**Report**”) has been prepared pursuant to Article 123-bis of Legislative Decree 58 of 24 February 1998 and approved by the Company’s Board of Directors on 25 March 2021 for the financial year ended on 31 December 2020.

Specifically, as required by the applicable legislation and regulations and in line with Borsa Italiana’s guidelines and recommendations – including those set out in the “Format for the Report on Corporate Governance and Ownership Structure” published in January 2019 – and those of the main trade associations (Confindustria and Andaf), the Report provides a general and systematic overview of the Issuer’s corporate governance system and ownership structure.

It also provides information about the implementation of the recommendations of the Corporate Governance Code for Listed Companies approved by the Corporate Governance Committee and promoted by Borsa Italiana, ABI, Ania, Assogestioni, Assonime and Confindustria (version of July 2018)¹.

The information included in this Report is updated at the date of approval of said Report by the Company’s Board of Directors.

This Report is published on the Company’s website <https://company.cerved.com>, in the *governance/documents and procedures/general procedures* section and is sent to Consob and Borsa Italiana in the manner and within the terms provided for by the applicable regulations.

¹ Please note that the recommendations of the Corporate Governance Code published on 30 January 2020 are applicable from 2021 and the Company shall inform the market in the Corporate Governance Report to be published in 2022. In certain cases, where relevant, this report will acknowledge the new features introduced by the new Corporate Governance Code the Company has already complied with.

Glossary

Chief Executive Officer: Cerved chief executive officer.

Risk and Control Director: the director in charge of the Risk and Control System appointed by Cerved in accordance with Principle 7.P.3.(a)(i) of the 2018 Corporate Governance Code.

Meeting or Shareholders' Meeting: the Issuer's shareholders' meeting.

Borsa Italiana: Borsa Italiana S.p.A..

Cerved or Issuer or Company: Cerved Group S.p.A. (formerly Cerved Information Solutions S.p.A.).

Code or 2018 Corporate Governance Code: the corporate governance code for listed companies approved by the Corporate Governance Committee and promoted by Borsa Italiana, ABI, Ania, Assogestioni, Assonime and Confindustria, available to the public on Borsa Italiana's website (www.borsaitaliana.it) (July 2018).

2020 Corporate Governance Code: The Corporate Governance Code for listed companies approved by the Corporate Governance Committee and promoted by Borsa Italiana, ABI, Ania, Assogestioni, Assonime and Confindustria, available to the public on Borsa Italiana's website (www.borsaitaliana.it) (January 2020).

Civil Code: the Italian Civil Code.

Code of Ethics: the code of ethics adopted by Cerved and Cerved Group companies, as last amended in December 2019.

Board of Statutory Auditors: Cerved's board of statutory auditors.

Sustainability, Risk and Control Committee: the committee set up within the Board of Directors for (i) internal control and risk management in accordance with principle 7.P.3. and application criteria 7.C.2 and 7.C.3 of the 2018 Corporate Governance Code and (ii) the supervision of sustainability issues related to the exercise of the company's business and its dynamics of interaction with all stakeholders pursuant to the note to article 4 of the 2018 Code.

Corporate Governance Committee: the Corporate Governance Committee promoted by ABI, ANIA, Assogestioni, Assonime, Confindustria and Borsa Italiana.

Remuneration and Nomination Committee: the remuneration and nomination committee set up within the Board of Directors in accordance with principles 6.P.3 and 5.P.1, and criteria 6.C.5 e 5.C.1 of the Corporate Governance Code.

Related Party Committee: the committee for related party transactions set up in accordance with the Related Party Regulations.

The Related Party Committee for the Keplero project: the committee set up by the Board of Directors in its meeting on 29 October 2019.

Board of Directors: Cerved board of directors.

Consob: the "Commissione Nazionale per le Società e la Borsa" (Italian Securities and Exchange Commission).

Subsidiaries: Cerved direct and indirect subsidiaries pursuant to Article 2359 of the Italian Civil Code and Article 93 of the Consolidated Law on Finance.

Legislative Decree 231/2001: Legislative Decree no. 231 of 8 June 2001, implementing rules on the administrative liability of legal persons, companies and associations, including those with no legal status, as subsequently supplemented and amended.

Listing Date: 24 June 2014, the date the Company's shares were admitted to trading on the Mercato Telematico Azionario.

Decree 162/2000: the Ministry of Justice decree no. 162 of 30 March 2000, issued pursuant to Article 148 of the Consolidated Law on Finance and implementing the regulation setting the professionalism and good repute requirements for the members of boards of statutory auditors of listed companies, as subsequently supplemented and amended.

Manager in charge of Financial Reporting: the manager in charge of financial reporting appointed by the Board of Directors in accordance with Article 154-bis of the Consolidated Law on Finance and Article 19 of the Articles of Association.

Year: the financial year ended 31 December 2020, covered by the Report.

Cerved Group or Group: jointly, Cerved and its direct and indirect subsidiaries or affiliates.

Inside Information: the inside information as defined in Article 7 of the MAR.

Guidelines: the Guidelines on "Managing inside information" and "Investment recommendations" issued by Consob on 13 October 2017.

MAR: Regulation (EU) No. 596/2014 of the European Parliament and of the Council of 16 April 2014 on market abuse, as subsequently supplemented and amended.

Mercato Telematico Azionario or MTA: the Italian electronic equities market organised and managed by Borsa Italiana.

231 Model: the organisational, management and control model introduced by Legislative Decree 231/2001, adopted by the Board of Directors in its meeting on 29 October 2018.

Supervisory Body or SB: the supervisory body in charge of overseeing the application of and compliance with the 231 Model, set up pursuant to Article 6 of Legislative Decree 231/2001.

2019-2021 Plan: the incentive and loyalty plan called the "Performance Share Plan 2019-2021" approved by the shareholders in their meeting on 14 December 2015 and meant for the management and directors of the Cerved Group.

2022-2024 Plan: the incentive and loyalty plan called the "Performance Share Plan 2022-2024" approved by the shareholders in their meeting on 16 April 2019 and meant for the management and directors of the Cerved Group.

Related Party Procedure: the procedure governing related party transactions adopted by the Company as subsequently amended on 21 December 2017, in implementation of Article 2391-bis of the Italian Civil Code and the Related Party Regulation.

Inside Information Procedure: the procedure governing the internal management and external disclosure of Inside Information adopted by the Board of Directors' resolution dated 19 December 2018, in line with application criterion 1.C.1., letter j) of the Code.

Internal Dealing Procedure: the procedure adopted by the Company's Board of Directors with resolution dated 19 December 2018, pursuant to Article 19 of the MAR and the relevant implementation regulations, and Article 114.7 of the Consolidated Law on Finance.

ERM process: the process to identify, assess, manage and monitor the Company's business risks (enterprise risk management).

Shareholders' Meeting Regulation: the shareholders' meeting regulation approved through a resolution of the Shareholders' meeting held on 25 March 2014, which came into effect on the Listing Date.

Issuers' Regulation: the regulation issued by Consob with resolution no. 11971 of 14 May 1999 (as subsequently supplemented and amended).

Related Party Regulation: the regulation governing related party transactions issued by Consob with resolution no. 17221 of 12 March 2010 (as subsequently supplemented and amended).

Report: this report on corporate governance and ownership structure, prepared pursuant to Article 123-bis of the Consolidated Law on Finance and in accordance with the 2018 Corporate Governance Code.

Remuneration Report: the report prepared and published pursuant to Article 123-ter of the Consolidated Law on Finance and Article 84-quater of the Issuers' Regulation, available at the Company's registered office and on the website <https://company.cerved.com/>, in the *governance/documents and procedures/procedures* section.

Internal Audit Manager: the manager in charge of Cerved Internal Audit department, appointed pursuant to application criterion 7.C.5. of the 2018 Corporate Governance Code.

Risk and Control System: internal control and risk management system that might be relevant in a sustainability perspective in view of the medium-long term of the Issuer's activity.

Articles of Association: Cerved articles of association in force, available on the Company's website https://company.cerved.com, in the *governance/documents and procedures/documents* section.

Succession Planning: the plan for the succession of the top management of Cerved, implemented by the then outgoing Board of Directors in 2015, as subsequently amended.

Consolidated Law on Finance: Legislative Decree no. 58 of 24 February 1998, implementing the consolidated law on finance, as subsequently supplemented and amended.

1. Issuer's profile

1.1. THE CORPORATE GOVERNANCE SYSTEM

Cerved's corporate governance system is based on the traditional management and control model set out in Articles 2380-bis et seq. of the Italian Civil Code. Without prejudice to the mandatory functions reserved to the Shareholders' Meeting, under this system:

- › the Board of Directors is solely responsible for the Company's administrative and strategic management in order to achieve the Company's corporate object²;
- › the Board of Statutory Auditors is responsible for monitoring compliance with the law and the Articles of Association, the principles of sound management and, specifically, the adequacy of the Company's organisational, administrative and accounting system³;
- › the independent auditing of the Issuer's financial statements is assigned to an audit company listed on the specific register⁴.

The Board of Directors acts, directly and jointly, by delegating part of its functions to the Chairman and the Chief Executive Officer, to the extent permitted by the Law and the Articles of Association⁵.

The following committees have been set up within Board of Directors :

- › the Remuneration and Nomination Committee, which acts as remuneration committee and nomination committee pursuant to principles 6.P.3 and 5.P.1 of the 2018 Corporate Governance Code, respectively; this Committee also, among other things, carries out consultancy and advisory functions in favour of the Board of Directors concerning periodic updates on the development of corporate governance rules, submitting proposed adjustments (see paragraph 7 of this Report);
- › the Related Party Committee, governed by the Related Party Procedure, which has been delegated the functions and tasks envisaged in the said Related Party Procedure and the Related Party Regulation;
- › the Sustainability, Risk and Control Committee pursuant to principle 7.P.3. of the 2018 Corporate Governance Code and the note to article 4 of said Code (see paragraph 9 of this Report).

The powers and operating procedures governing the Company's corporate bodies are governed by the law, the Articles of Association and, as to the Shareholders' Meetings and committees, by regulations adopted by the Company.

The Issuer does not fall under the definition of SME in accordance with Article 1, paragraph 1, letter w-quater.1) of the Consolidated Law on Finance and Article 2-ter of the Issuers' Regulation as it exceeds the parameters set out in the abovementioned provisions.

1.2 THE CERVED GROUP AND ITS MISSION

The Issuer is the holding company of the Group.

² See paragraph 4 of this Report.

³ See paragraph 14 of this Report.

⁴ See paragraph 11.5 of this Report.

⁵ See paragraph 4.4 of this Report.



With a portfolio of over 30,000 clients, both Italian and international, the Group is the main national operator in the field of credit risk assessment and management.

The Group's offer triangulates visions, methods and projects that are constantly aligned to market trends and covers three separate areas of activities:

- › Risk Management
- › Growth Services
- › Credit Management

► Risk Management

The Cerved Group assists its clients by providing information aimed at assessing the economic and financial profile and reliability of both companies and natural persons. Its activities include determining the level of risk of the entire loans portfolio and defining assessment models and decision-making systems. In supporting its clients in their assessments and decisions, the Group employs highly-integrated solutions, developed over 40 years of activities in the banking world.

► Growth Services

The Growth Services business unit has an extensive and wide range of online services available in real time and customised design solutions to develop the most effective business strategies and expand the business:

- › finding new clients and business partners, by managing direct marketing campaigns, searching for new qualified clients and analysing the potential of the territory;
- › knowing competitors, by analysing the competitive scenario from an economic, financial and strategic point of view or by requesting sector analyses and specific ratios;
- › offering strategic consultancy and advanced analytics services

Services can be provided through online platforms, always accessible and able to provide a simple and immediate response on a daily basis, or through customised solutions and projects involving Cerved consultants who can find the best solution for the customer's needs.

Through ClickAdv S.r.l., under the PayClick brand, it operates as a dealer specialising in high-quality digital advertising solutions, which are mainly offered by using proprietary technologies. Through Pro Web Consulting S.r.l, it provides specialised consultancy in digital marketing services for the SEO (Search Engine Optimisation) and the CRO (Conversion Rate Optimisation) business lines and related services. Lastly, with the acquisition of the company MBS Consulting S.p.A, the Group has reinforced its positioning in strategic consultancy services, by supporting clients in the complex change that require a significant commitment from an organisational and managerial perspective.

► Credit Management

The Cerved Group is one of the main Italian independent operators in the Credit Management sector, offering services aimed at valuing and managing credit positions for third parties based on certified information and quantitative data. Through legal and extrajudicial management, the valuation of credits, the remarketing of movable and immovable assets and services for the management of collections, highly-qualified, professional experts help clients in identifying the

most effective solutions for the entire life time of the credit, in order to be able to intervene rapidly, thus reducing the time needed to recover the money.

The Cerved Group, through Cerved Rating Agency S.p.A., is also one of Europe's foremost rating agencies, specialised in evaluating both the creditworthiness of companies and the sustainability performances of economic operators.

Finally, Cerved Master Services S.p.A., a company indirectly controlled by Cerved and enrolled with the register pursuant to Article 106 of Legislative Decree 385 of 1 September 1993, collects assigned credits and provides cash and payment services as part of securitisation operations (i.e. *servicing*), in accordance with Article 2, paragraphs 6 and 6-bis of law no. 130 of 30 April 1999.

1.3. SOCIAL RESPONSIBILITY

The Issuer has adopted a Code of Ethics, which officially describes Cerved ethical commitments and responsibilities in conducting business and activities and defines the set of values and principles, and the rules of conduct, to be followed by the Company's directors and parties linked to the Company by an employment relationship and, in general, all those operating for the Company, regardless of the nature of their relationship with the Company.

The Code of Ethics is reviewed periodically to ensure that it is up to date with regard to issues of relevance to the company and the Cerved Group. In this regard, it should be noted that the Code of Ethics has been updated on 23 December 2019 with the principles relating to the use of artificial intelligence solutions by the entire Group.

In this respect, the Issuer highlights that:

- i) following the adoption of Legislative Decree 254 on 30 December 2016 (which transposed Directive 2014/95/EU on disclosure of non-financial and diversity information), the interested parties (including the Cerved Group) are required to report on environmental, social and personnel issues, respect for human rights and the fight against active and passive corruption, which are deemed relevant taking into account the activities and characteristics of the company;
- ii) the supervision of the sustainability issues related to the exercise of the company's business and its dynamics of interaction with all stakeholders at group level has been assigned to the Company's Sustainability, Risk and Control Committee⁶;
- iii) during its fourth year of non-financial reporting, the Group has introduced major strategic and operational initiatives, with regard to the involvement of stakeholders and the identification of material issues, especially through:
 - a) expansion of stakeholder engagement activities with the involvement of the top management, Sustainability, Risk and Control Committee, employees, Sustainability Ambassadors and external stakeholders (including investors, analysts, institutional organisations, suppliers and clients) to update the materiality matrix;
 - b) definition of medium-term quantitative ESG targets, which can be measured and monitored over time;
 - c) correlation between the ESG targets and the remuneration of the Chief Executive Officer and the Top Management, in accordance with recommendation no. 27 of the 2020 Corporate Governance Code regarding integrating targets into the remuneration policy that are consistent with the strategic objectives of the company and aimed at facilitating its sustainable success, also including non-financial parameters.

⁶ Refer to paragraph 9 for more details concerning the duties of the Sustainability, Risk and Control Committee as regards the Sustainability Report.



2. The ownership structure

(pursuant to Article 123-bis, paragraph 1 of the Consolidated Law on Finance)

SHARE CAPITAL STRUCTURE

(pursuant to Article 123-bis, paragraph 1a) of the Consolidated Law on Finance)

At the date of this Report, the subscribed and paid-in share capital of Cerved is equal to Euro 50,521,142.00, represented by 195,274,979 ordinary shares with no par value and carrying voting rights, as shown in Table 1 (“Ownership structure - Share Capital”) attached hereto. At the publication date of this Report, the Company owns 2,993,169 treasury shares (equal to 1.533% of the share capital) whose voting right is suspended pursuant to Article 2357-ter, paragraph 2, of the Italian Civil Code.

► The 2019-2021 Plan and the 2022-2024 Plan

The Ordinary Shareholders’ Meeting, on 14 December 2015, approved the 2019-2021 Plan, which provides for the granting, free of charge, of up to 2,925,000 Cerved ordinary shares to 70 beneficiaries, identified ex-ante, including the Group’s key and top managers. Granting of shares is subject to the fulfilment of pre-determined conditions, including the achievement of specific performance levels by the Group. As proposed by the Remuneration and Nomination Committee, the Board of Directors approved the 2019-2021 Plan implementation regulation on 16 March 2016, which was subsequently modified on 13 July 2016. Also on 13 July 2016, the Board of Directors identified the 2019-2021 Plan beneficiaries and granted the related rights as envisaged in the proposal made by the Remuneration and Nomination Committee as recommended by the Chief Executive Officer.

The 2019-2021 Plan’s terms and conditions are described in the Information Memorandum about the financial instruments-based remuneration plans prepared pursuant to Article 114-bis of the Consolidated Law on Finance and Article 84-bis, paragraph 1, of the Issuers’ Regulation published on 12 November 2015, available at the Company’s registered office and website (<https://company.cerved.com/>, section governance/shareholders’ meeting/ordinary and extraordinary shareholders’ meeting - 14 December 2015). Reference is also made to the paragraphs “Long-term Variable Component” of the compensation scheme for Executive Directors and Key Managers in section 1 and in the paragraph “Financial Instruments-Based Incentive Plans” of section 2 of the Remuneration Report, which is also available at the registered office and on the website of the Company (in the governance/documents and procedures/procedures section).

With respect to the 2019-2021 Plan, on 14 December 2015, during their extraordinary Meeting, the shareholders also entrusted the Board of Directors with the power to carry out a free share capital increase, in one or more tranches, for a five-year period from the adoption of the relevant resolution, up to Euro 756,750.00, issuing up to 2,925,000 Cerved new ordinary shares, with no par value, to be granted to the 2019-2021 Plan beneficiaries pursuant to Article 2349 of the Italian Civil Code. At the date of the Report, this power had expired and has not been renewed, without even being exercised, not even in part. In this regard, it is noted that the 551,606

and 427,106 Company shares assigned free of charge in May 2019 and 2020, respectively, to the beneficiaries of the 2019-2021 Plan were assigned through the use of treasury shares at the Issuer's disposal.

The Shareholders' Meeting, sitting in an ordinary session, approved the 2022-2024 Plan on 16 April 2019. The terms and conditions of the 2022-2024 Plan are described in the Information Memorandum prepared pursuant to Article 114-bis of the Consolidated Law on Finance and Article 84-bis of the Issuers' Regulation, published on 15 March 2019, available at the Company's registered office and on its website (<https://company.cerved.com/>, section governance/shareholders' meeting/ordinary and extraordinary shareholders' meeting - 16 April 2019). Reference is also made to the paragraphs "Long-term Variable Component" of the compensation scheme for Executive Directors and Key Managers in section 1 and in the paragraph "Financial Instruments-Based Incentive Plans" of section 2 of the Remuneration Report, which is also available at the registered office and on the website of the Company (in the governance/documents and procedures/procedures section).

► Delegation of power to increase share capital pursuant to Article 2441.4, paragraph 2 of the Italian Civil Code

Furthermore, in its meeting of 20 May 2020, the shareholders resolved, following the revocation of the delegation of power granted to the Board of Directors by the Shareholders' Meeting on 9 April 2018, to entrust the Board of Directors, pursuant to Article 2443 of the Italian Civil Code, for thirty months from the date of the resolution, with the power to increase the share capital against consideration, in one or more tranches, for a maximum amount of Euro 5,052,114.20, issuing new ordinary Cerved shares, with no par value, with the same characteristics as those already outstanding, regular dividend, not exceeding 10% of the total shares outstanding on the date such power may be exercised, to be subscribed by Italian and foreign institutional and/or qualified investors or the Company's strategic and/or business partners, as part of extraordinary transactions, excluding the pre-emptive right pursuant to Article 2441.4, paragraph two, of the Italian Civil Code, in accordance with the procedure and the conditions covered therein and with the power for the Board to set from time to time the issue price of the new shares, again in accordance with Article 2441.4, paragraph two, of the Italian Civil Code (setting the amount to be allocated to capital and the share premium, if any).

The Shareholders' Meeting of 20 May 2020 resolved, as a result, to amend Article 5 of the Articles of Association.

At the date of the Report, this delegation of power has not been exercised, not even partially.

Except for that stated above, at the date of this Report, there are no other financial instruments granting the right to subscribe the Company's newly-issued shares.

RESTRICTIONS ON TRANSFERS OF SECURITIES

(pursuant to Article 123-bis, paragraph 1b) of the Consolidated Law on Finance)

The Company's shares are freely transferable and there are no restrictions on their free transfer pursuant to the law and the Articles of Association.



SIGNIFICANT PARTICIPATION IN THE SHARE CAPITAL

(pursuant to Article 123-bis, paragraph 1c) of the Consolidated Law on Finance)

Based on the data of the shareholders' book and the updates available at the date of approval of this Report, including the communications received by the Company pursuant to Article 120 of the Consolidated Law on Finance, the parties who, directly or indirectly, hold equity participations greater than 1% of the subscribed and paid-in share capital of Cerved are those listed in Table 1 ("Ownership structure - Significant interests in share capital") attached hereto.

SECURITIES CONVEYING SPECIAL RIGHTS

(pursuant to Article 123-bis, paragraph 1d) of the Consolidated Law on Finance)

No securities that convey special control rights have been issued nor are special powers provided for in sector-specific regulations applicable. At the date of this Report, no classes of shares other than ordinary shares have been issued, nor multiple-vote or loyalty shares.

EMPLOYEE OWNERSHIP SCHEME: MECHANISM FOR EXERCISING VOTING RIGHTS

(pursuant to Article 123-bis, paragraph 1e) of the Consolidated Law on Finance)

There is no mechanism for the exercising of voting rights by the beneficiaries of the 2019-2021 Plan and/or the 2022-2024 Plan other than that envisaged for all the Company's shareholders or which restricts or excludes the direct exercise of voting rights by the latter (see first section of this paragraph 2).

RESTRICTION ON VOTING RIGHTS

(pursuant to Article 123-bis, paragraph 1f) of the Consolidated Law on Finance)

There are no restrictions on voting rights.

SHAREHOLDERS' AGREEMENTS

(pursuant to Article 123-bis, paragraph 1g) of the Consolidated Law on Finance)

On 7 March 2021, FermION Investment Group Limited ("**FermION**") (a company established in Ireland, with registered office at Minerva House, Simmonscourt Road, Dublin 4) and FSI SGR S.p.A. ("**FSI**") (an asset management company with registered office at 20121 - Milan, Via San Marco 21/A, enrolled on the Milan Companies Register under no. 09422290966, acting in the name and on behalf of the reserved alternative investment fund), signed a binding term sheet (the "**Term Sheet**") to establish the main terms of the joint investment between FSI and FermION in Castor Bidco Holdings Limited ("**Bidco Parent**") for the purpose of the acquisition of Cerved with a commitment by the parties to enter into agreements, prior to the payment of the Offer amount, that reflect the terms and conditions agreed in the Term Sheet. The agreements contained in the Term Sheet are relevant pursuant to Article 122, paragraphs 1 and 5c) of the Consolidated Law on Finance. FermION is controlled by ION Capital Partners Limited, a company set up under Irish law, established in the form of a private company limited by shares, with registered office at Minerva House, Simmonscourt Road, Ballsbridge, Dublin 4, Ireland, in turn indirectly controlled by Mr Andrea Pignataro, born in Bologna on 10 June 1970, Italian citizen ("**AP**").

On 8 March 2021, Castor S.r.l. (“**Castor**”), a company fully controlled by Bidco Parent – through a suitable notice pursuant to Article 102, paragraph 1, of the Consolidated Law on Finance and Article 37 del Issuers’ Regulation – declared its intention to launch a voluntary public takeover bid (the “**Offer**”) for all Cerved’s ordinary shares (the “**Cerved Shares**”).

The Term Sheet concerns the following companies:

1. Castor Bidco Holdings Limited (defined above as “Bidco Parent”), a company set up under Irish law, established in the form of a private company limited by shares, with registered office at Minerva House, Simmonscourt Road, Ballsbridge, Dublin 4, Ireland;
2. Cerved Group S.p.A., with registered office at Via dell’Unione Europea no. 6A-6B, 20097, San Donato Milanese (MI), tax code and VAT no. 08587760961, listed on the Companies Register of Milan Monza Brianza Lodi, REA no. MI-203563, with shares listed on the Mercato Telematico Azionario organised and managed by Borsa Italiana S.p.A.

Should the Offer be successful, Cerved will be indirectly controlled, pursuant to Article 93 of the Consolidated Law on Finance and Article 2359 of the Italian Civil Code, by AP through Bidco Parent.

The Term Sheet envisages a commitment on FSI to subscribe, in return for the payment of an amount of Euro 150 million, a preferred financial instrument issued by Bidco Parent (the “**Financial Instrument**”), that may be redeemed or converted into preference shares to be redeemed by Bidco Parent (the “**Preference Shares**”). The Term Sheet requires the Financial Instrument to have, inter alia, the following characteristics:

1. a duration of up to a maximum of five years;
2. the option of conversion, within 12 months of the possible delisting of the Cerved Shares from the Mercato Telematico Azionario, into Preference Shares representing a portion of the share capital of Bidco Parent proportional to the amount of the overall investment made by FSI;
3. in the event of non-conversion into Preference Shares, a redemption right, upon request from FSI or FermION, with a six-month notice period.

The Term Sheet covers the Financial Instrument to be issued by Bidco Parent and the Cerved Shares, which will be owned by the Bidder if the Offer should prove successful. As of 12 March 2021, neither FermION nor FSI hold any Cerved Shares, either directly or indirectly

Following the subscription of the Financial Instrument by FSI, the following provisions will apply:

1. the Bidco Parent Board will be composed of 5 directors. FermION will be entitled to appoint 4 members of the Board of Directors, including the Chief Executive Officer and the Chairman; provided that FSI keeps over 50% of the units in the Financial Instrument or Preference Shares deriving from any conversion of the Financial Instrument, FSI will be entitled to appoint 1 member of the Board of Directors and 1 observer without voting rights;
2. FSI’s consent (at the level of the Board of Directors or Shareholders’ Meeting of Bidco Parent, depending on the case) will be requested for the approval of the following matters: amendment of the certificate of incorporation and the articles of association; operations entailing a significant change to the corporate purpose; liquidation, dissolution or similar decisions, except for those relat-



ing to exit hypotheses; filing of an application or any other action, the purpose of which is the initiation of insolvency proceedings or liquidation;

3. FSI will receive periodic financial and management information relating to Bidco Parent/Cerved, including the budget and business plan, to the extent permitted in accordance with the applicable market abuse legislation.

The Term Sheet shall be filed in accordance with the law at the Milan Companies Register and the essential associated information shall be published, pursuant to Article 130 of the Issuers' Regulation, on the Cerved website (<http://company.cerved.com>).

CHANGE OF CONTROL CLAUSES AND ARTICLES OF ASSOCIATION PROVISIONS ON TAKEOVER BIDS

(pursuant to Articles 123-bis, paragraph 1h), 104, paragraph 1-ter and 104-bis, paragraph 1 of the Consolidated Law on Finance)

At the date of this Report, Cerved is not a party to significant agreements that become effective, are amended or terminated in the event of change of control.

With no prejudice to the foregoing, it should be noted that:

- › there are no Change of Control clauses in accordance with the financing agreement signed on 12 May 2020 between, inter alia, Cerved and UniCredit S.p.A. in its capacity as agent bank for a total amount of Euro 713,000,000 (the “**Financing Agreement**”). However, in accordance with Article 7.1 (Illegality) of the Financing Agreement, should one or more people (or a group of people acting together) assume direct or indirect control over Cerved and, as a consequence of this event, should it prove unlawful for a lender (or an affiliate of it), inter alia, to satisfy the requirements provided for in the Financing Agreement, the total amount of the financial commitment made available by the lender must be reimbursed and the associated obligations settled. In this regard, it should be noted that, for the purposes of this provision:
 - (i) “control” indicates control over Cerved pursuant to Article 2359, paragraph 1, numbers 1 or 2, of the Italian Civil Code, i.e. the power to appoint the majority of the members of the board of directors (or another management body) of Cerved; and
 - (ii) “acting together” indicates a group of people who, by virtue of an agreement or understanding (formal or informal), cooperate actively, through the acquisition and/or possession of shares with voting rights in Cerved, to obtain or consolidate control (direct or indirect) of Cerved, with no prejudice to the fact that the people who vote in a uniform or consistent manner in any Cerved general meeting will not be considered to be acting together in consideration of the exercising of votes in those terms;
- › the indirect subsidiary Cerved Legal Services S.r.l. (“**CLS**”) is part of a joint venture with La Scala Società tra Avvocati (“**LaScala**”) which makes provision, inter alia, for the establishment of a new specialised law firm, independent from the current structures of the partnership, in the form of a “partnership of lawyers”. In this context, should control of CLS change (within 5 years from the closing date, i.e. until 2023), LaScala will be entitled to leave the partnership;
- › the Articles of Association provide no exceptions to the provisions of Article 104, paragraphs 1 and 1-bis of the Consolidated Law on Finance regarding the passivity rule (i.e. the obligation for the Company to refrain from carrying out acts or transactions that could hinder the achievement of the objectives of a takeover bid) and do not contain any of the neutralisation rules set out in Article 104-bis,

paragraphs 2 and 3 of the Consolidated Law on Finance, applicable to restrictions on transfers of securities, voting rights and multiple-vote.

DELEGATION OF POWER TO INCREASE THE SHARE CAPITAL AND AUTHORISATION TO PURCHASE TREASURY SHARES

(pursuant to Article 123-bis, paragraph 1m) of the Consolidated Law on Finance)

► Powers to increase share capital

As described in the first section of this paragraph 2, the Shareholders' Meeting delegated the Board of Directors, in accordance with Article 2443 of the Italian Civil Code and article 5 of the Articles of Association, to increase the share capital:

- › for a five-year period from the shareholders' resolution of 14 December 2015, on a free basis and in one or more tranches, up to Euro 756,750.00, issuing up to 2,925,000 Cerved ordinary shares to be assigned to the beneficiaries of the 2019-2021 Plan pursuant to Article 2349 of the Italian Civil Code. At the date of the Report, this power had expired, without even being exercised, not even in part, and had not been renewed; and
- › the Board of Directors proposed to the Shareholders' Meeting held on 20 May 2020 to revoke the delegation of power to increase the share capital, pursuant to Article 2443 of the Italian Civil Code, assigned to the Board of Directors by the Shareholders' Meeting on 9 April 2018, and to entrust the Board of Directors, pursuant to Article 2443 of the Italian Civil Code, for 30 months from the date of the related resolution, with the power to increase share capital against consideration, in one or more tranches, for a maximum amount of Euro 5,052,114.20, issuing new Cerved ordinary shares, up to 10% (ten per cent) of the total shares outstanding on the date such power may be exercised, to be subscribed by Italian and foreign institutional and/or qualified investors or the Company's strategic and/or business partners, as part of extraordinary transactions, excluding the pre-emptive right pursuant to Article 2441.4, sentence two, of the Italian Civil Code. The aforementioned meeting approved these proposals and, as of the date of the Report, this power had not been exercised, not even partially.

► Purchase of treasury shares

In its meeting of 20 May 2020, the Shareholders' Meeting, after having resolved to revoke the authorisation to purchase and dispose of treasury shares, granted by the ordinary Shareholders' Meeting of 16 April 2019, authorised the Board of Directors pursuant to and in accordance with Article 2357 et seq. of the Italian Civil Code and Article 132 of the Consolidated Law on Finance, to purchase treasury shares, in one or more tranches, up to a maximum that, taking into account the ordinary shares of the Company held in the portfolio at any given time by the Company itself and its subsidiaries, is not in total greater than 10% of the share capital of the Company, taking into account the shares held directly and the shares held by Subsidiaries, for a period not exceeding 18 months from the date of the resolution in compliance with the following terms and conditions:

- › the treasury share purchases have to be made within the limits of the distributable earnings and available reserves reported in the last, regularly approved financial statements, when the transaction is executed;
- › the purchase may be made in order to (i) allow the conversion of debt instruments into shares; (ii) facilitate the implementation of the management incen-



tive plans; and (iii) provide liquidity to the market;

- › the Company may carry out purchases (i) by means of a takeover bid or exchange offer; (ii) on regulated markets, in accordance with the operating procedures laid down in the regulations governing the organisation and management of those markets, which prevent the direct matching of the offers to buy with predetermined offers to sell; and (iii) as established by the market practices allowed by Consob pursuant to Article 13 of Regulation (EU) 596/2014;
- › the purchase price of each share may not be more or less than 10% (ten per cent) of the reference price quoted for Company shares on the trading day preceding each individual purchase.

The authorisation to purchase treasury shares is not preconceived to service any reduction in share capital. During the Year, the Company did not launch the above programme for the purchase of treasury shares.

The said Shareholders' Meeting also authorised the Board of Directors, pursuant to Article 2357-ter of the Italian Civil Code, to dispose, in whole or in part, of the purchased treasury shares, without time limits, even before the purchases have been completed, setting the price and methods of disposal and making all accounting entries necessary or appropriate in compliance with the current laws and the accounting principles applicable from time to time, it being understood that the treasury shares may be sold at a price no less than 10% than the average of official prices quoted on the screen-based trading system during the five days before the sale and this price limit may be waived exclusively in the following cases: (i) when treasury shares are exchanged or sold in the course of carrying out business and/or commercial projects and/or other projects of interest to the Company, (ii) if shares are sold in execution of incentive programs and, in any event, of plans pursuant to Article 114-bis of the Consolidated Law on Finance, (iii) in discharge of obligations resulting from debt instruments convertible into equity instruments and (iv) upon modification and/or substitution of the dividend distribution policy.

The Company wishes to state that, as at the date of this Report, the Company owns 2,993,169 treasury shares in the portfolio.

MANAGEMENT AND COORDINATION ACTIVITIES

(pursuant to Article 2497 et seq. of the Italian Civil Code)

The Company is not subject to the control or management and coordination activities of another party or entity.

Finally, the Issuer notes that:

- › the information requested by Article 123-bis, paragraph 1, letter i) of the Consolidated Law on Finance (*"agreements between companies and directors [...] which envisage indemnities in the event of resignation or dismissal without just cause, or if their employment contract should terminate as the result of a takeover bid"*) are illustrated in the Remuneration Report; and
- › the information required by Article 123-bis paragraph 1, letter l) of the Consolidated Law on Finance regarding (*"the provisions applicable to directors' appointment and replacement and changes to the Articles of Association, where different from those of the legislation or regulations that may be additionally applied"*) are described in this Report, on the section dedicated to the Board of Directors (see paragraph 4.1).

3. Compliance

(pursuant to Article 123-bis, paragraph 2a) of the Consolidated Law on Finance)

The Company adheres to the 2018 Corporate Governance Code and, in particular, during the Year, it applied the version dated July 2018, available on the website of Borsa Italiana at <http://www.borsaitaliana.it/comitato-corporate-governance/codice/codice.htm>.

The Company, in a press release dated 20 January 2021, stated that it adopted the 2020 Corporate Governance Code for Listed Companies, published on 31 January 2020 by the Corporate Governance Committee promoted by Borsa Italiana available on the website at <http://www.borsaitaliana.it/comitato-corporate-governance/codice/codice.htm>.

The Company's corporate governance system is based on a set of rules that takes into account the guidelines defined by the regulatory bodies and the standards recommended by the market. This system has been implemented and updated over the years based on the development of the Group's business and the principles and application criteria set out in the 2018 Corporate Governance Code.

This Report also covers any principles and application criteria of the 2018 Corporate Governance Code which the Company, at present, has decided not to apply, in whole or in part, in accordance with the "comply or explain" principle of the 2018 Corporate Governance Code of Article 123-bis of the Consolidated Law on Finance.

As indicated in the introduction, the recommendations of the 2020 Corporate Governance Code published on 30 January 2020 are applicable from 2021 and the Company shall inform the market about it in the Corporate Governance Report to be published in 2022. In certain cases, where relevant, this report will acknowledge the new features introduced by the new Corporate Governance Code the Company has already complied with.

Cerved and the companies within the group having strategic importance are not subject to laws other than those of Italy which influence the Issuer's corporate governance system.

4. Board of directors

4.1. APPOINTMENT AND REPLACEMENT

(pursuant to Article 123-bis, paragraph 1l) of the Consolidated Law on Finance)

Pursuant to Article 13.1 of the Articles of Association, the Company is managed by a Board of Directors composed by no fewer than nine and no more than thirteen members. Under the Articles of Association, directors are appointed by the Shareholders' Meeting, in accordance with the gender parity regulations in effect at any given time, based on lists of candidates filed by shareholders and/or the outgoing Board of Directors, in which candidates, who may not be more than 15 in number, shall meet the requirements of the laws and regulations in effect at any given time and must be listed in sequential numerical order. The Board of Directors must be composed at least by three members who meet the independence requirements of the applicable laws and regulations. In this respect, it is noted that the Articles of Association do not provide for requirements of independence, in addition to those established for Statutory Auditors pursuant to Article 148 of the Consolidated Law on Finance, and/or integrity and/or professionalism for the acceptance of the office of director.

Each list shall specify which candidates meet the above independence requirements of the applicable laws and regulations in effect at any given time. The appointed directors shall promptly inform the Board of Directors if they no longer meet the independence requirements or become ineligible or incompatible. The loss of the requirements necessary to serve on the Board of Directors entails dismissal from that position, it being understood that the loss of the above independence requirements by a director, without prejudice to immediately informing the Board of Directors, does not cause the director to be dismissed if the Board of Directors still includes the required minimum number of Directors that, pursuant to the legislation in effect at any given time, meet the above requirements.

Lists must be filed at the Issuer's registered office and published in accordance with ruling legislation. The list by the outgoing Board of Directors, if submitted, must be filed at the Issuer's registered office by the thirtieth day prior to the date of the Meeting. Lists containing a number of candidates equal to or greater than three must include candidates from both genders, in accordance with the gender parity regulations in effect at any given time.

Each shareholder may file or participate in the filing of only one list and each candidate may be listed only on one list, on penalty of becoming ineligible. The only parties that may submit lists of candidates (apart from the outgoing Board of Directors) are shareholders who, alone or together with other shareholders, represent at least 1% of the share capital that may be voted at the Ordinary Shareholders' Meeting (as set by Consob Resolution no. 44 of 29 January 2021, pursuant to Article 144-quater of the Issuers' Regulation), for the submission of lists of candidates for the election of the Company's administration and control bodies.

Together with each list and within the deadline required by the laws and regulations in effect at any given time, it must be filed declarations by which the each

⁷ Article 13.8 of the Articles of Association states that "the following are entitled to submit lists: the outgoing Board of Directors, as well as shareholders who, alone or together with other shareholders, hold at least 2.5% of the share capital with voting rights in ordinary shareholders' meetings or a different investment percentage set by the laws or regulations in effect at any given time".

candidate accepts his/her nomination and attests, under his/her own responsibility, that there are no issues making him/her unelectable or incompatible and that he/she meets the requirements of current legislation for election to his/her respective office. The declarations must be accompanied by a curriculum vitae setting forth the personal and professional background of each candidate and specifying whether the candidate qualifies as independent, in accordance with the provisions of laws and regulations in effect, and those of any corporate governance codes of conduct adopted by the Company. Lists that are not prepared in accordance with the provisions of the Articles of Association shall be deemed to have never been filed. Each voting right holder may vote only for one list.

At the end of the voting, the candidates from the two lists that received the highest number of votes will be elected as follows:

- a) from the list that has received the highest number of votes is elected, in the sequential numerical order in which they are listed, a number of Directors equal to the total number of Directors that must be appointed, minus one or two, based on the provisions described below;
- b) the remaining Director shall be elected from the list that has received the second highest number of votes at the Shareholders' Meeting and that is not connected, in any way, directly or indirectly, with those who filed or voted for the list that received the highest number of votes, only if this list has been voted by less than 5% of share capital with voting rights at ordinary shareholders' meetings or twice the percentage of participation in share capital as established by the laws and regulations in effect at any given time applicable for the filing of the list;
- c) conversely, when the list that received the second highest number of votes is voted by at least 5% of share capital with voting rights at ordinary shareholders' meetings or twice the percentage of participation in share capital as established by the laws and regulations in effect at any given time applicable for the filing of the list, both remaining directors shall be elected from the list in the sequential numerical order in which they are listed on the list;
- d) when more lists are voted by at least 5% of share capital with voting rights at ordinary shareholders' meetings or twice the percentage of participation in share capital as established by the laws and regulations in effect at any given time applicable for the filing of the list, the two remaining directors shall be elected, one for each list, from the first two minority lists that received the highest number of votes after the majority list in the sequential numerical order in which they are listed on the list.

Should the lists receive an equal number of vote, a new ballot will be held involving the entire Shareholders' Meeting, with the candidates obtaining a simple majority of the votes being elected.

If at the end of the voting, the mix of candidates elected in accordance with the gender parity ruling regulations in effect at any given time is not ensured or at least three directors, or any higher minimum number required by the laws and regulations in effect, that meet the independence requirements, are not appointed, the relevant candidates shall be replaced from the same lists from which they were elected. The replacement order will be as follows: firstly, from the bottom of the list, the candidates who were elected from the only minority list or the minority list that received fewer votes will be replaced, then, the same manner will be applied to the minority list that received the highest vote and, finally, the same



manner will be applied to the majority list. If the procedure described above fails to produce the ultimate result mentioned above, the replacement shall take place by means of a resolution adopted by a relative majority of the Shareholders.

If only one list is filed, the directors shall be elected from that list, provided that it is approved by a simple majority of the votes. If the number of elected directors is not the same as the number of Board members determined by the Shareholders' Meeting, or if no list is filed or if the filed list does not allow the election of independent directors in the number required by the laws and regulations in effect, the Shareholders' Meeting shall adopt resolutions for the necessary elections and integrations with the respective law majorities, all of the above in accordance with the gender parity legislation in effect at any given time.

The list voting process shall apply only when the full Board of Directors is elected.

The Shareholders' meeting may change, also during the directors offices, the number of the members of the Board of Directors, within the limits set forth in paragraph 13.1 of the Articles of Association, by carrying out the related appointments, without applying the voting list. The term of office of the Directors thus elected expires together with those in office.

If, during the year, one or more directors elected from the minority list(s) leave the office, firstly the Board of Directors provides, in accordance with art. 2386 of the Italian Civil Code. More specifically, if one or more of the Directors who have ceased to hold the office were taken from a list that also included the names of candidates who were not elected, the replacement is carried out by appointing - according to the progressive order - candidates taken from the list to which the Director who has ceased to hold the office belonged and who are still eligible and willing to accept the office, or, if there are no such candidates in the list or they are not available, by appointing another candidate indicated by the Directors taken from the list to which the Director who has ceased to hold office belonged. If, during the year, one or more directors elected from the majority list leave the office, the Board of Directors shall proceed in accordance with art. 2386 of the Italian Civil Code, without the above-mentioned restrictions.

In any case, the replacement of the outgoing directors shall be carried out by ensuring that the necessary number of directors meets the independence requirements set out by law and by the Articles of Association and that the pro tempore regulations in force concerning the balance between genders are complied with. The Shareholders' Meeting shall adopt the resolutions for which it is responsible in compliance with the same principles.

If, for any reason or cause, the majority of the Directors appointed by the Shareholders' Meeting leaves the office, the whole Board shall resign and its termination shall be effective from the moment the Board is re-established following the new appointments made by the Shareholders' Meeting that shall be convened without delay by the Directors still in office.

The Issuer is not subject to further sector regulations regarding the composition of the Board of Directors.

The new rules on gender quotas which became effective on 1 January 2020 provide that the management bodies of listed companies must reserve "at least two fifths" of their members to the less represented gender and no longer one third, as established by previous legislation. These rules will apply to the renewal of the Board of Directors which will take place when the Company's financial statements at 31 December 2021 are approved.

SUCCESSION PLANS

▮ Succession planning of the Board of Directors

Starting from 2015, the Board of Directors initiated a top management succession planning process for the succession of several top managers of the Company.

During the year 2019 and in view of the expiry of the Board of Directors, the Company (i) has updated the Succession Planning regarding the Group's top management positions (as described in the paragraph below); and (ii) has adopted a diversity policy applied in relation to the composition of the administration and management bodies, as regards aspects such as age, gender and educational and professional training (for a description thereof, reference should be made to paragraph 4.2).

At the meeting held on 19 April 2019, the newly elected Board of Directors of the Company, responding to the findings of the Succession Planning: i) has elected Andrea Mignanelli as the new Chief Executive Officer of the Company and ii) has elected Gianandrea De Bernardis, formerly Executive Deputy Chairman of the Company, as Executive Chairman of the Company.

▮ Succession planning of top executives

During 2019, the Remuneration and Nomination Committee promoted a new Succession Planning process, which was developed with the support of Deloitte Consulting. This project has involved the Chief Executive Officer's top executives, with the objective of protecting the stability of the management, by mitigating any prospective risk related to the lack of management continuity in top management positions. In particular, the process comprises 3 phases:

- in-depth interviews with the top executives on their perception of their role and organisational development, with the aim of identifying potential successors and highlighting the level of risk;
- analysis of possible successors based on three classifications: backup candidate, successor at 12-24 months, next generation at 36-60 months; and
- creation of so-called 'Succession Mapping'.

Accordingly, a virtuous mechanism has been implemented that guarantees stability and business continuity to date. It will be updated every year.

The 'Succession Mapping' table was updated during the first few months of 2021. The revision process involved the Chief Executive Officer's top executives, who expressed their point of view with regard to the potential candidates. The results were shared with the Executive Chairman, Chief Executive Officer and Chairman of the Remuneration and Nomination Committee. The issue was addressed during the meeting of the Remuneration and Nomination Committee on 8 March 2021, which noted the existence of a plan for each position analysed. The investigation was subsequently discussed during the Board of Directors meeting of 10 March 2021.

4.2. COMPOSITION

(pursuant to Article 123-bis, paragraph 2, letters d) and d-bis) of the Consolidated Law on Finance)



After setting the number of directors at eleven, the Shareholders, in their ordinary meeting held on 16 April 2019, elected the current Board of Directors of the Company – which will hold office until approval of the financial statements at 31 December 2021 – by re-electing the outgoing directors Mara Caverni, Fabio Cerchiai, Gianandrea De Bernardis, Sabrina Delle Curti, Valentina Montanari, Andrea Mignanelli and Aurelio Regina, and electing four new members, Andrea Casalini, Umberto Carlo Maria Nicodano, Mario Francesco Pitto and Alessandra Stabilini.

Four lists of director candidates were presented to the Shareholders' Meeting on 16 April 2019.

The directors Gianandrea De Bernardis, Andrea Mignanelli, Sabrina Delle Curti, Fabio Cerchiai, Mara Caverni, Aurelio Regina, Umberto Carlo Maria Nicodano, Andrea Casalini and Alessandra Stabilini were elected from the list of 11 candidates (including, in addition to the aforementioned candidates, Giorgio Valerio and Anna Gatti), submitted by the outgoing Board of Directors, pursuant to article 13.8 of the Articles of Association (List 1). This list received votes representing 49.048% of the voting shares.

The director Valentina Montanari was elected from the list of 4 candidates (including, in addition to the aforementioned candidates, Marco Maria Fumagalli and Silvia Stefini) submitted by funds managed by a group of 12 institutional investors holding a total of 7.51% of the Company's share capital and which obtained, at the time of appointment, a number of votes representing 35.478% of the voting capital.

Finally, the director Mario Francesco Pitto was elected from the list with him as the only candidate, submitted by funds managed by Alatus Capital holding a total of 2.506% of the Company's share capital and which obtained, at the time of appointment, a number of votes representing 12.102% of the voting capital.

The shareholders who submitted the lists declared that they had no relationships with the shareholders that own a controlling or relative majority stake, as defined by law and the Articles of Association, taking into account the relevant recommendations in Consob Communication no. DEM/9017893 of 26 February 2009.

In its meeting on 19 May 2019, the Company Board of Directors appointed Gianandrea De Bernardis as Executive Chairman of the Board of Directors and Andrea Mignanelli as Chief Executive Officer of the Company.

The current Board of Directors is thus composed of the following persons:

- **Gianandrea De Bernardis**, Executive Chairman;
- **Andrea Mignanelli**, Chief Executive Officer;
- **Sabrina Delle Curti**, Executive Director;
- **Fabio Cerchiai**, Lead Independent Director;
- **Mara Anna Rita Caverni**, Independent Director;
- **Aurelio Regina**, Independent Director;
- **Umberto Carlo Maria Nicodano**, Non-executive Director, non-Independent Director;
- **Valentina Montanari**, Independent Director;
- **Andrea Casalini**, Independent Director;
- **Alessandra Stabilini**, Independent Director;
- **Mario Francesco Pitto**, Independent Director.

The majority of the Board of Directors is composed of independent directors.

Likewise, the committees set up within the Board of Directors pursuant to the 2018 Corporate Governance Code are mainly composed of independent directors.

After ascertaining that all the directors satisfied the prerequisites imposed by the applicable laws and regulations for assuming that position, the Board of Directors meeting held on 19 April 2019 confirmed that the Directors Fabio Cerchiai, Mara Anna Rita Caverni, Aurelio Regina, Valentina Montanari, Andrea Casalini, Alessandra Stabilini and Mario Francesco Pitto fulfilled the prerequisites for qualification as independent directors pursuant to Article 148, paragraph 3, of the Consolidated Law on Finance (applicable to the directors pursuant to Article 147-ter, paragraph 4, of the Consolidated Law on Finance) and the 2018 Corporate Governance Code. The result of the assessment was made known through a notice released to the public on the same date.

With respect to the Lead Independent Director Fabio Cerchiai, it is noted that, during the above check carried out in its meeting of 19 April 2019, the Board of Directors confirmed that he fulfilled the independence requirements, although he was the chairman of Cerved Board of Directors and, therefore, a “significant representative” of the Company in the three previous financial years pursuant to application criterion 3.C.1. of the 2018 Corporate Governance Code - based on the following considerations: (i) the office at stake was held as a non-executive and independent director, (ii) the representative has in any case been a member of the Board of Directors of the Company for less than nine years, (iii) his high standing and professionalism are such that his independence and autonomy of judgement are not considered compromised and (iv) the 2018 Corporate Governance Code recommends that the necessary evaluations be made taking into account the substance rather than the form and taking into consideration the various factors indicated in the same 2018 code as a whole. The evaluation was confirmed during the Board of Directors’ meeting held on 12 February 2020.

At its meeting on 16 May 2019 and as envisaged by application criterion 3.C.5. of the 2018 Code, the Board of Statutory Auditors verified that the vetting criteria and procedures adopted by the Board of Directors to assess its own members’ independence were properly applied. The evaluation was confirmed during the meeting of the Board of Statutory Auditors held on 9 March 2020.

Three of these directors are executive directors as defined by the 2018 Corporate Governance Code (see paragraph 4.5 of the Report), one is non-executive and not independent and the remaining seven are non-executive and independent.

Finally, it should be noted that the Company, during the checks conducted after the appointment, had not yet adopted quantitative and/or qualitative criteria to be used *ex ante* to assess the significance of the relationship between the independent directors and the Company itself. See paragraph 4.6 below, containing information concerning the qualitative and quantitative criteria subsequently adopted by the Company.

As explained in paragraph 4.6, the Board of Directors also assessed the satisfaction of the independence requirements, including during the Year.

► Diversity Policy

Pursuant to the provisions of Article 123-bis, paragraph 2, letter d-bis of the Consolidated Law on Finance and the recommendations contained in the 2018 Corporate Governance Code, the Board of Directors of Cerved, on 5 March 2019, adopted the “Diversity Policy for Members of Corporate Bodies”, which identified the main cri-



teria to apply when defining the optimal composition of the administrative body so that it may exercise, in the most effective manner, its powers while benefiting from the contribution of different and complementary approaches, skills and experiences.

Cerved recognises, seeks and welcomes the benefits of diversity within the Group, and within its Corporate Bodies, as regards all aspects, including gender, age, seniority, qualifications, skills and the professional and training profile.

In defining its Diversity Policy, the Cerved Board of Directors recognises that greater diversity in its Corporate Bodies will encourage internal debate, formulating lateral and innovative ideas and generating and maintaining a positively and proactively critical approach; all elements which reinforce the ability of the Bodies to make the decisions within its remit independently and exercise an effective supervisory and coordination role.

The Diversity Policy approved by the Company Board of Directors defines and formulates the criteria adopted to ensure an adequate level of diversity among the members of the Corporate Bodies, in order to:

- › make the decision-making process more effective and in-depth;
- › reduce the risk of all members sharing same opinions;
- › enrich discussion within the Corporate Bodies by fostering internal debate and comparison among experiences that differ in terms of content and the contexts in which they are developed;
- › allow members of the Corporate Bodies to constructively discuss the decisions of the management;
- › foster exchanges within the Corporate Bodies.

With reference to the type of diversity and associated objectives, the Diversity Policy states that:

- › the majority of the members of the Board of Directors must be non-executive and satisfy the independence requirements laid down by the legislation and the 2018 Corporate Governance Code;
- › at least a third of the Board of Directors, both at the time of appointment and during their terms of office, shall be composed of directors from the less represented gender;
- › in order to ensure a balance between the requirements of continuity and renewal, a balanced combination must be ensured among different levels of seniority and age brackets;
- › non-executive and independent directors must have a management and/or professional and/or vocational/academic profile which comprises a set of diverse and complementary skills and experience.

The Issuer confirms that the diversity policy has been applied with reference to the list for the renewal of the Board of Directors submitted by said Board at the Shareholders' Meeting held on 16 April 2019. The Issuer believes that the current composition of the Board of Directors reflects the type of diversity and the related policy objectives described above.

As already mentioned, the new rules on gender quotas, which require the management bodies of listed companies to reserve "at least two fifths" of their members to the less represented gender and no longer one third, as established by previous legislation, will apply to the renewal of the Board of Directors, scheduled to take place when the Company's financial statements at 31 December 2021 are approved.

During 2020, the Board of Directors of the Cerved Group decided to amend articles 13 and 24 of the Articles of Association to bring the regulations laid down regarding gender quotas in line with the new legislation, thus ensuring greater diversity in the Corporate Bodies for future mandates.

On 30 July 2020, the Board of Directors adopted the *Diversity and Inclusion Policy* aimed at defining the policies, guidelines and commitments in terms of Diversity and Inclusion which are founded on understanding, respecting and valuing the differences of every person within the Group. The approach adopted to handle diversity and to manage inclusion focuses, inter alia, on the scope of intervention of equal opportunities and gender balance. The policy is available on the Company's website, in the Sustainability & ESG/Policy & Certifications section.

The personal and professional details of the individual members of the Company Board of Directors are illustrated as follows. In this respect, it is noted in advance that, as recommended by the Corporate Governance Code, at least a third of the Board of Directors is composed of directors from the less represented gender.

Gianandrea Edoardo De Bernardis

He graduated with honours from Polytechnic University in Milan with a degree in electronic engineering and earned a master's degree in business administration from SDA Bocconi. He began his career at the end of 1980s in the United States as a software engineer in the telecommunications area at AT&T Bell Laboratories and Wang Laboratories Intecom Inc. From 1991 to 1993 he honed his skills at Saras S.p.A., an oil refiner, as head of performance and production control. Subsequently, from 1995 to 1999, he worked at The Boston Consulting Group, mainly managing industry and consumer-related projects. In 1999, he was named general manager of AMPS S.p.A., the provider of local public services in Parma, and worked on important development and restructuring projects, including the acquisition of the ENEL networks, diversification into telecommunications (Albacom.AMPS S.p.A.), geographic expansion, process re-engineering and the sale of a significant interest in the company to the Edizione Holding/San Paolo IMI investment consortium.

From 2001 to 2009, he served as chief executive officer of TeamSystem S.p.A. helping nurture the company through its growth process. He was chief executive officer of Cerved Group S.p.A. from June 2009 to 29 April 2016 and from October 2018 to April 2019. He was also Executive Deputy Chairman of the Issuer with significant powers from May 2016 to April 2019. He is currently the Executive Chairman of the Issuer. Currently, in addition to the foregoing, he is a director of Hippocrates Holding S.p.A., the Chairman of the Board of Directors of Conceria Pasubio S.p.A. and the Chairman of the advisory board of Foscolo Holding S.à.r.l..

Andrea Mignanelli

He earned his Economics and Business degree in 1993 at the Università Luigi Bocconi and continued his education with a Master in Business Administration, awarded in 1998 by INSEAD (France).

He has been the chief executive officer of the Issuer since April 2019 and, until 2019, of CCMG, the parent company of various companies specialising in the management of a wide range of performing and non-performing loans and assets. Under his leadership, CCMG joined the Cerved Group in 2011, reinforcing the services it offers in the credit risk management segment.

He was previously a partner at McKinsey & Co., as the European head of Credit Risk



Management Practice. He worked as financial analyst at General Electric from 1994 to 1997, at its offices in London, New York and Rio de Janeiro.

He is currently a member of the board of directors of Codifi S.p.A.

Sabrina Delle Curti

She graduated with honours in law from the University of Parma in 2001, began her professional career at BonelliErede, a leading Italian law firm, where she was mainly involved in M&A deals in various industrial sectors, while also developing specific and significant expertise in capital markets.

She passed her bar exam in 2005.

In 2008, she pursued her professional career by accepting an in-house position at Sopaf S.p.A., where she was able to develop further her expertise in domestic and cross-border M&A deals and IPOs.

In 2011, she accepted the position of General Counsel at Green Hunter S.p.A., a company active in the renewable energy business, where she also held the position of secretary to the Board of Directors and the many subsidiaries of that company.

In July 2015, she was appointed General Counsel of the Cerved Group and head Legal and Corporate Affairs Department. In August 2016 she also became head of institutional affairs for the Group. Since September 2015, she has also served as an Executive Director of the Issuer. Since April 2017, she has served as an independent director for Massimo Zanetti Beverage Group S.p.A., for the years 2017-2019. For several years she has cooperated with the Private Law Department of the Faculty of Economics at Milan Bicocca University, under the supervision of Prof. Franceschelli.

Fabio Cerchiali

He is a Knight of Labour honouree, holds a Degree in Economics and Business Administration from the University of Rome. He began his career in the insurance business of Assicurazioni Generali, where he held various positions until his appointment as chief executive officer and deputy chairman working, positions he held until 2002.

He also served on the boards of directors of important financial companies both in Italy and abroad. He was chairman of INA Assitalia, chairman of ANIA - Associazione Nazionale fra le Imprese Assicuratrici, Autostrade per l'Italia S.p.A., SIAT - Società Italiana di Assicurazioni e Riassicurazioni p.A. and UnipolSai S.p.A. until April 2016, where he currently holds the position of Deputy Chairman. He was also Chairman of Edizione Srl and of the Issuer until April 2019 where he currently holds the position of Independent Director, member of the Remuneration and Nomination Committee and Lead Independent Director.

He is currently Chairman of Atlantia S.p.A., Arca Vita S.p.A. and Arca Assicurazioni S.p.A. and a member of the Board of Directors of Abertis Infraestructuras SA. He is Deputy Chairman of UnipolSai S.p.A. and Diplomatia. He is a member of the Management Boards of Assonime, Fondazione Censis and ANSPC - Associazione Nazionale per lo Sviluppo dei Problemi del Credito and an academic member of AIDEA - Accademia Italiana di Economia Aziendale.

Mara Anna Rita Caverni

She holds a degree in business economics from Luigi Bocconi University in Milan. Chartered Accountant and Independent Auditor since 1992. She began her professional career in Milan in 1988, and then at PricewaterhouseCoopers in Paris in 1993, relocating to London in 1998, where she worked for PricewaterhouseCoopers Transaction Services. Between 1994 and 1996, she served as chief financial officer at a subsidiary of a multinational group. In 1999, she became partner at PricewaterhouseCoopers in Italy, where she remained until 2011, serving first as head of the European Private Equity Transactions Division, from 2003 to 2005, and, subsequently, as the head of the Italian Private Equity Division, from 2005 to 2011, and as a member of the global private equity team. In 2008, she was included on the Ready-for-board women list. In 2012, she founded New Deal Advisors S.p.A. of which she is the managing partner. In 2016, she was appointed a director of Eight International.

She has also held positions on the boards of directors of Atlantia S.p.A., Autostrade Meridionali S.p.A., Snai S.p.A., Anima Holding S.p.A., Anima SGR and Interpump Group S.p.A.

Currently, in addition to the roles of independent director (since 2014) and member of the Sustainability, Risk and Control Committee of the Issuer, she is serving as an independent director and Chairwoman of the Risk and Control Committee of ERG S.p.A. and is an independent director and member of the Risk and Control Committee of Cordusio Sim S.p.A. and Chairwoman of Italcanditi S.p.A. She is the co-author of various publications on the M&As, private equity and due diligence. She is registered with the register of Chartered Accountants and Chartered Auditors.

Alessandra Stabilini

She graduated in law from the University of Milan in 1995. In 2000, she obtained a Master of Laws (LL.M) at the Law School of the University of Chicago (USA). In 2003, she obtained a PhD in Commercial Law at the L. Bocconi University of Milan.

She has been a researcher in Commercial Law at the Faculty of Law of the University of Milan since 2004 and was confirmed in 2007. From 2011 to 2016, she was Aggregate Professor and holder of the International Corporate Governance course at the Milan University. From 2016, she was Aggregate Professor of Corporate Governance and Corporate Social Responsibility (in English) at the Milan University.

She has been a member of the Milan Bar since 2001. She is currently Equity Partner of NCTM Studio Legale Associato, of which she was previously a collaborator (until 2011) and Of Counsel (from 2011 to 2015). Her areas of activity include, among others, corporate law, with particular reference to listed companies and financial market law. She also assists unlisted companies in the areas of corporate and commercial law, including corporate litigation and arbitration. She has held arbitration positions by appointment of the Milan Chamber of Arbitration.

In March 2007, by Decree of the Minister of Economy and Finance, she was appointed member of the Technical Support Committee of the Committee for the Piazza Finanziaria Italiana (Italian Financial Market), chaired by the then Deputy Minister Roberto Pinza.

In addition to the position of Independent Director (since 2019), she is Chairwoman of the Issuer's Sustainability, Risk and Control Committee and member of the



Related Party Committee, she also holds the position of independent director and Chairwoman of the Remuneration Committee of COIMA RES S.p.A. SIIQ, independent director of Aidexa S.p.A. and non-executive director of Unieuro S.p.A. and Librerie Feltrinelli S.r.l., as well as standing auditor of Brunello Cucinelli S.p.A., Hitachi Rail STS S.p.A. and IllyCaffè S.p.A. She is also a liquidator of TANK SGR S.p.A. and a member of the Supervisory Board of ECU SIM S.p.A. She is Deputy Chairwoman of Ned Community, and a member of the board of directors of EcoDa – European Confederations of Directors Associations representing Ned Community.

Aurelio Regina

He graduated with honours in political science from the Free University of Social Studies in Rome. He was an assistant professor both at the Methods for International Conflicts Resolutions Department and at the Global Strategy Department at the War College of the Italian Armed Forces, and, in 1986, served at the United Nations in New York on issues related to Middle East conflicts. In 1988, he became the head of communications, relations with public institutions and legislative studies at Procter & Gamble Italia. In 1991, he was named director of corporate affairs for the Philip Morris Companies Group in Italy and, subsequently, managing director of Philip Morris Corporate Services Inc. and managing director of Philip Morris S.r.l..

From 2008 to 2012, he was Chairman of Unindustria – Association of the Manufacturers and Businesses of Rome, Frosinone, Rieti and Viterbo (formerly Association of the Manufacturers and Businesses of Rome) and Chairman of Confindustria Lazio. He has been Chief Executive Officer of British American Tobacco Italia, a BAT group company, a tobacco multinational, and served as chairman of Sistemi & Automazione S.p.A. and as director of Sviluppo Italia S.p.A., from 2011 to 2016, he has been chairman and deputy chairman of Credit Suisse Italy S.p.A., a member of the board of directors of Il Sole 24 Ore and Valentino Fashion Group S.p.A.. From 2012 to 2014 he served as deputy chairman of Confindustria, with responsibility for economic development, and as chairman of Network Globale, an internationalisation company for Unioncamere Lazio. From 2011 to 2019, he was Chairman of Fondazione Musica per Roma.

He currently holds the post of Independent Director (since 2014) and Chairman of the Issuer's Remuneration and Nomination Committee, he is deputy chairman of Manifatture Sigaro Toscano S.p.A. and Centro Studi Americani (association), chairman of the board of directors of Fondazione Musica per Roma, Defence Tech S.p.A., Sisal S.p.A., Sisal Group S.p.A., Next S.p.A., Foramil Srl and Donexit Srl; he is also sits on the board of Aspen Institute Italia and is a director of Sistemi e Automazione S.r.l. and Engineering S.p.A. and a partner and member of the board of directors of Egon Zehnder International S.p.A.

Umberto Carlo Maria Nicodano

Graduated in Law at the Milan University in 1974, he has been practicing law since 1978 and is a member of the Milan Bar Association.

After five years as in-house counsel for a US multinational group, he joined Erede Bianchi Giliberti in 1982 and has been a Partner of BonelliErede since its foundation. He was Chairman of BonelliErede's Board from 2001 to 2007 and currently continues to be a member.

His significant experience in the luxury sector is acknowledged by the market and, over the years, he has assisted major international groups, designers and private

equity funds in many important transactions carried out in Italy.

He has frequently assisted financial sponsors and industrial operators with investments in industrial companies operating in considerably different sectors (automotive, motorcycles, components in general, photovoltaic, telecommunications, etc.).

He deals with Corporate and M&A transactions for listed and unlisted companies, specifically with extraordinary finance transactions in all their phases: study of the operation, contractual negotiation, execution of the agreements reached and post-execution management. He also deals with governance issues. He mainly operates in the following business sectors: insurance, automotive, banking, fashion and luxury.

He is Team Leader of Focus Team Private Equity, member of Focus Team Private Clients and Innovation and Digital Transformation (strategic support).

In addition to the position of Non-executive Director (since 2019) and member of the Related Party Committee and the Remuneration and Nomination Committee, Umberto Carlo Maria Nicodano chairs the Board of Directors of Green Hunter Group S.p.A., Green Hunter S.p.A. and Miroglio S.p.A., is Deputy Chairman of Valentino S.p.A. and a Director of Brembo S.p.A., Levriero Holding S.p.A., Finos S.p.A., TWT S.p.A., Voisoft S.r.l. and Vicuna Holding S.p.A. and beLab S.p.A. and also a Member of the Investment Banking & Capital Markets Senior Advisory Board of Jefferies International Limited.

Valentina Montanari

She graduated with a degree in Economics and Business from the University of Pavia, and then went on to earn a Master's Degree at SDA Bocconi.

She was also Chief Accounting Officer at Gruppo RCS from 2003 to 2009, and Chief Financial Officer at Dada (Gruppo RCS) from 2009 to 2011. Valentina Montanari held the position of Chief Financial Officer at Gefran S.p.A. from July 2012 to September 2013 and Il Sole 24 Ore S.p.A. from October 2013 to December 2016. She also served as Head of Administration, Finance and Control for AC Milan S.p.A. between August 2017 and September 2018. Since April 2019, she has been the Group CFO and Finance and Development General Manager of FNM Group S.p.A. She has also served as a director at Oxfam Italia Onlus.

In addition to the position of Independent Director (since 2016) and member of the Issuer's Sustainability, Risk and Control Committee and the Remuneration and Nomination Committee, Valentina Montanari is the independent director of Mediolanum Gestione Fondi S.g.r.p.A. and Newlat Food S.p.A..

Mario Francesco Pitto

He graduated in law from the University of Urbino in 1978.

He has been a member of the Register of Chartered Accountants and Accounting Experts of Vicenza since 1992 and of the Register of Auditors at the Ministry of Economy and Finance since 1995.

Until 1990 he worked at notary offices in Genoa and Bassano del Grappa. Since 1992 he has worked as a chartered accountant with a firm in Bassano del Grappa, providing assistance and consultancy to medium and large companies in corpo-

rate and tax matters, also at international level, as well as consultancies on corporate restructuring, including through bankruptcy proceedings.

He acted as commissioner/court receiver, receiver, court-appointed expert and expert pursuant to Articles 2343 and 2501-sexies of the Italian Civil Code.

He promoted the Foundation “*Ethica ed Economia - Universitatis Bassanensis Schola De Negotiis Gerendis*”. He served as Judge of the Vicenza Provincial Tax Commission from 4 September 1996 to 23 October 2001. He served as Honorary Judge at the Civil and Criminal Court of Bassano del Grappa from 1998 to 2007.

In addition to the position of Independent Director (since 2019) and member of the Issuer’s Related Party Committee, Mario Francesco Pitto is also an Independent Director of Conbipel S.p.A. He is Chairman of the Board of Statutory Auditors of Oleodinamica Panni Srl and Leila Montipò e Sorelle S.a.p.A. He is Standing Auditor of Interpump Hydraulics S.p.A., I.M.M. Hydraulics S.p.A., Reggiana Riduttori Srl, Contarini Leopoldo Srl, White Bridge Investments S.p.A., White Bridge Investments II S.p.A., Nutrilinea Srl, Nutkao Srl, Biofarma Srl, Specchiasol Srl and Frattin Auto Srl. He is also Sole Auditor of Hydroven Srl, Teknotubi Srl, Avi Srl, Inoxihp Srl and Claire Srl.

Andrea Casalini

He graduated with honours in economic and business administration at the Parma University in 1986.

From 1989 to 1996, he worked on organisation and change management projects in the Milan and Chicago offices of McKinsey & Company, focusing, in particular, on clients operating in the banking and IT services sector. From 1996 to 2000, he split between Milan and London working for EDS, Electronic Data Systems. He was appointed EDS Italia’s Chief Executive Officer in 1998. In 1999, he was appointed President EMEA, with international responsibilities for the e-solutions line (internet solutions).

From 2000 to 2014, he led Buongiorno S.p.A as Chief Executive Officer.

From August 2014 to May 2019, he was partner and Chief Executive Officer of Eatly Net, a company of the Eatly Group, focused on the international e-commerce of high quality food & beverage products inspired to the Italian food and wine culture. Furthermore, from 2008 to 2017, he was an independent director of Gruppo Mutuonline S.p.A., of which he also chaired the Remuneration and Nomination Committee.

Andrea Casalini is an investor in start-ups, including Dove Convieni S.r.l., Everli/S24, WeRoad, Startup Italia, Iconium and Talent Garden S.p.A. and in the early-stage investment vehicle Borealis Tech Ventures.

From 2008 to 2017, he was an independent director of Gruppo Mutuonline S.p.A.

Currently Independent Director (since 2019) and member of the Issuer’s Related Party Committee, Andrea Casalini is an independent director and chairman of the Committee for Related Party Transactions and member of the Remuneration and Nomination Committee of Amplifon S.p.A. and a director of Engagigo Srl.

► Maximum number of offices that may be held in other companies

The 2018 Corporate Governance Code requires that the Board of Directors express its opinion regarding the maximum number of offices as director or statutory auditor - in other listed companies, financial companies, banks, insurance companies or companies of a considerable size - which may be compatible with the obligation to perform effectively the office of Director in the Company, taking also into account the service of directors on committees established internally by the Board of Directors.

In accordance with the “*comply or explain*” principle set out in the “Main principles and temporary regime” section of the Code, the following should be noted:

- a) the Board of Directors did not express its opinion during the year 2020;
- b) in justifying the discrepancies between the 2018 Code’s recommendations, the Board of Directors believed that the responsibility for determining the suitability of candidates to the office of director, based also on the offices held in other companies, rests first of all, with the shareholders upon the appointment of directors and, secondly, with the individual directors, upon accepting their election;
- c) furthermore, the Board of Directors decided that the real adequacy in terms of the time available to each director - also considering their work and professional commitments, the number of offices of directors and statutory auditors held in other listed companies, financial companies, banks, insurance companies or companies with a considerable size - to effectively perform their respective duties, was assessed by each director currently in office at the time of accepting the office;
- d) On 18 March 2021, the Board of Directors decided to adopt certain criteria concerning the maximum number of directorships and control positions that may be held in other companies, in accordance with recommendation 15 of the 2020 Corporate Governance Code.

In particular, it was decided that the acceptance of directorships or control positions in more than four companies listed on regulated markets, including the office held on the Cerved Board of Directors, is deemed incompatible with serving as a director of the Company, with no prejudice to the Board of Directors’ entitlement to make a different and reasoned assessment.

The current composition of the Board of Directors satisfied the above criteria.

In accordance with the 2018 Corporate Governance Code, the offices of directors currently held by some directors of Cerved at companies other than the Company, at the date of this Report, are summarised in Table 2 (“*Structure of the Board of Directors and Committees*”) attached hereto and listed in detail in Annex 1 (“*List of Directors’ offices*”).

► Induction Programme

On 9 March, 6 October and 27 November 2020, three sessions of the annual Induction Programme were held, aimed at providing directors and statutory auditors with the required detailed information on the following:

- (i) Group’s Strategic Guidelines 2020-2024;



(ii) Strategic Plan 2020-2023 and Project Galaxy, and

(iii) Group's Strategic Plan 2021-2023.

These sessions were held with the support of the Group's top management and consultants, representing both the business and the corporate functions.

4.3. ROLE OF THE BOARD OF DIRECTORS

(pursuant to Article 123-bis, paragraph 2d) of the Consolidated Law on Finance)

The Board of Directors meets periodically, on a regular basis. During the Year, the Board of Directors met 23 times. In accordance with the financial calendar, it will meet 5 times in 2021. Eight meetings have already been held since the end of the Year: on 20 January, 11 February, 22 February, 23 February, 10 March, 18 March, 23 March and 25 March 2021 (when this Report was approved).

Each meeting had an average duration of approximately 1 hour and 46 minutes. For information on the attendance at Board meetings by each Director, reference should be made to Table 2 ("Structure of the Board of Directors") attached hereto.

The Board of Directors meetings were frequently attended - as guests and in connection with the specific issues discussed - by non-members of the Board of Directors, including in particular the Manager in charge of Financial Reporting, the Investor Relator and the Chief Financial Officer and, in general, the senior managers of the Issuer and the Group companies who are in charge of the company departments with specific responsibilities, along with the consultants involved at any given time, in order to provide detailed information as relevant to the matters on the agenda, as provided for by the 2018 Corporate Governance Code.

In accordance with the Articles of Association, notices of Board meetings are given by means of a registered letter, a fax or an email at least three days before the date of the meeting, or, in urgent cases, at least 24 hours before the date of the meeting. The notices list the place, date and time of the meeting and the items on the agenda.

The Chairman, also assisted by the Secretary of the Board of Directors, ensures timely and complete pre-meeting information, adopting the necessary measures to preserve the confidentiality of the information and data supplied and ensuring that the documentation related to the items on the agenda is sent to the directors well in advance of the date of each meeting. The notice that is generally deemed adequate for providing information before the board of directors meeting is about 3/5 days prior to the meeting. This deadline was normally met during the Year, except in those cases where, due to the complexity of the matters discussed, the supporting documents were provided to the directors and statutory auditors as soon as they were available, and always in time for the Board of Directors meetings.

If in specific cases, inter alia to preserve the confidentiality of the information provided (for example, in connection with projects of particular strategic relevance to the business of the Company and the Group), it is not possible to provide the pre-meeting reports sufficiently in advance, the Chairman shall ensure that adequate and timely details will be provided during the board of directors' meetings, so that informed decisions may be taken.

Finally, the Chairman of the Board of Directors must ensure that sufficient time

is devoted to each item on the agenda to allow a constructive discussion, encouraging directors, statutory auditors and senior managers in charge of the company departments who, from time to time, participate in the Board of Directors' meetings, to provide their contribution during the meetings.

The 2020 Corporate Governance Code that the Company has adopted, expressly recommends the adoption of a regulation that defines the operating rules of the Board, including the procedures for minuting meetings and those for managing director's information.

Therefore, on 23 February 2021, the Issuer adopted a board regulation, published on the Company website, in the Documents and Procedures section.

The Directors have exclusive responsibility for the management of the Company and must take all actions necessary to attain the business object. Specifically, in accordance with ruling applicable legislation and in line with the recommendations of the 2018 Corporate Governance Code, the Board of Directors, acting as a body, has exclusive jurisdiction with regard to the following decisions:

- a) reviewing and approving the strategic, industrial and financial plans of the Issuer and the Group and periodic monitoring of their implementation;
- b) defining the Issuer's corporate governance system and the Group's structure;
- c) defining the nature and level of risk compatible with the Issuer's strategic objectives, including in its own assessments all the risks that can be of significance in view of their sustainability over the medium-long term.
- d) assessing the adequacy of the Issuer's organisational, administrative and accounting structure, as well as those of strategically significant Subsidiaries, specifically with regard to the effective functioning of the Risk and Control System;
- e) defining the frequency, which need not be more than quarterly, with which the delegated bodies must report to the Board of Directors about the work they performed in the exercise of the powers delegated to them;
- f) assessing the general performance of the Issuer's operations, specifically taking into account the information received from the delegated bodies, and periodically comparing actual results with budgeted results;
- g) adopting resolutions about transactions executed by the Issuer and its subsidiaries, when the transactions are particularly significant in terms of the Issuer's strategy, financial position and financial performance, establishing the general criteria for identifying highly material transactions;
- h) assessing, at least once a year, the performance of the Board of Directors and its committees, as well as the Board's size and composition, taking also into account such elements as the professional characteristics and the management skills and other expertise of the Board members, as well as their gender and the length of their service on the Board;
- i) providing the shareholders with guidelines before they elect the new board of directors, where those guidelines indicate the managers and professionals whose inclusion on the board of directors is deemed advantageous.



In accordance with the recommendations set out in the 2018 Corporate Governance Code, during the Year, the Board of Directors periodically checked the general performance of operations, considering the information received from the chief executive officers and periodically checking actual results against those planned. Specifically, the Board of Directors:

- › periodically monitored the implementation of the Company's industrial and financial plans approved from time to time;
- › set, as part of the industrial plan, the nature and the level of risk compatible with Cerved's objectives;
- › defined the operational approach to managing conventional business risks;
- › examined and decided on the significant transactions carried out by the Subsidiaries, including just to take note of them.

For the purposes of the activity described in point d), all Subsidiaries were considered strategic given the importance of their respective business and/or the fact that they are subject to authorisations and particularly complex laws and provisions.

In its meeting on 25 March 2021, based on the information and evidence gathered with the support of the investigation work carried out by the Sustainability, Risk and Control Committee and considering the assumptions and the assessments of the Risk and Control Director, the Head of the Internal Audit Department, the Enterprise Risk Management Department and the Manager in charge of Financial Reporting, the Board of Directors subsequently assessed the adequacy of the Issuer's and the Subsidiaries' organisational, administrative and accounting structure, focusing, in particular, on the Cerved Group's Internal Control and Risk Management System, concluding that there were no issues such to jeopardise the overall adequacy.

With respect to the assessment, to be exclusively carried out as a board, set out in point g), the Board of Directors did not establish general criteria during the Year to identify the transactions that are strategically or financially significant for the Issuer and the Subsidiaries, as (i) with respect to the Issuer, the assessment is carried out on a case-by-case basis and (ii) with respect to the Subsidiaries, such transactions are subject to board decision by virtue of management and coordination activities pursuant to Article 2497 of the Italian Civil Code carried out by the Company over all direct and indirect subsidiaries of the Group.

Furthermore, the Company has adopted a whistle-blowing system at Group level, in line with international market best practices and the recommendations set out in the 2018 Corporate Governance Code.

During the Year, consistently with the recommendations made by criterion 1.C.1. letter b) of the 2018 Corporate Governance Code, the Board of Directors defined the nature and level of risk compatible with the Issuer's strategic objectives in relation to monitoring the risks connected with the various operating areas of the Company. Its assessments included the risks that might become significant in view of the medium-long term sustainability of the Issuer's activity. When confronted with material circumstances, the Board of Directors acquired the necessary information and took all appropriate measures to protect the Company and its market disclosures.

► Assessment of the size, composition and functioning of the Board of Directors

The Board of Directors has promoted, for the seventh consecutive year, in accordance with international best practices and the provisions of the 2018 Corporate Governance Code, an annual self-assessment process, through the individual completion, by the directors, of suitable questionnaires prepared by Crisci & Partners S.r.l., a specialised consultancy firm with expertise in corporate governance practices. The requirements of neutrality, objectivity, competence and independence have been acknowledged with respect to this company.

In line with the powers assigned by the Board of Directors and the corporate governance recommendations, the Company's Remuneration and Nomination Committee played a supervisory role in the said process.

The self-assessment, which is repeated and discussed once a year by the Board of Directors, covers the adequacy of the size, composition and operating procedures of the Board of Directors and its committees, as well as the professional characteristics, management skills, other expertise and length of service on the Board of the individual professionals who serve on the Board of Directors.

Specifically, the assessment focuses on:

- the individual characteristics of the directors, in terms of qualifications and professional experience;
- the structural characteristics of the Board of Directors (its size, specifically considering the characteristics of the Group and the ability to ensure adequate training to the internal committees of the Board of Directors; its composition, specifically in terms of a balanced subdivision and relationship between genders and executives and non-executive directors and the adequacy of the number of independent directors);
- the organisational characteristics of the Board of Directors, understood as the Board's processes and operating procedures (the information flows provided by making available to the directors ahead of meetings adequate information about items on the agenda; the frequency and planning of the meetings; the attendance percentages at meetings by the Directors; and the supporting documents of the minutes of the meetings).

In accordance with the 2018 Corporate Governance Code's recommendations, the Board of Directors carried out a self-assessment also for this Year. The self-assessment questionnaires, preceded in certain cases by interviews, were sent to all directors and the answers were then collected anonymously and combined into a summary document to ensure a consistent comparison of responses to individual issues, and examined by the Board of Directors during the meeting held on 18 March 2021.

The self-assessment gave positive findings on the performance, size and composition of the Board of Directors and its committees. In particular, it turned out, among other things, that:

- the size and composition of the Board of Directors has been shown to be totally adequate and consistent with the Company's level of complexity;
- the functioning of the Board of Directors is assessed as excellent or very good as regards all the following indicators: assumption of responsibility by the Directors; widespread understanding of corporate governance best practices; commitment to the Company; organisational aspects of meetings; quality of documentation and promptness of sending; structure of Agendas;



- the role played by the General Counsel and Board Secretary in organising meetings was confirmed as highly valid;
- the information flow between the Board, Committees and Supervisory Bodies was assessed very positively. Honest discussions were held with the Board of Statutory Auditors, which was partly renewed during the year, with full respect for the prerogatives and duties of the parties.

Within this positive context, certain areas for improvement have been identified that will be implemented in 2021 to ensure ever greater alignment of the corporate governance with international best practices. The possible areas for constant improvement were identified, inter alia, as follows: the judgements expressed by the Directors with respect to the evaluation of the Chairman and Chief Executive Officer's interpretations of their respective roles remain extremely positive, underlining the importance of (i) continuing proactively with the process of coordinating the roles of Chairman and Chief Executive Officer, capitalising on the complementary experiences, expertise and previous positions held within the Group, and (ii) maintaining, preserving and optimising coordination in the exercising of delegated operational powers by their respective holders.

Finally, the Shareholders did not authorise, on a general and preventive basis, any waivers of the non-competition obligation, as required by Article 2390 of the Italian Civil Code.

4.4. DELEGATED BODIES

The Board of Directors acts, directly and jointly, by delegating part of its functions to the Chairman and the Chief Executive Officer, to the extent permitted by the Law and the Articles of Association.

The following powers were delegated to the Executive Chairman and the Chief Executive Officer on 19 April 2019.

► 4.4.1 Executive Chairman

The Chairman Gianandrea De Bernardis, without prejudice to his powers under the Articles of Association, has been granted the powers identified below, under his sole power of signature, if not otherwise envisaged and with the power of sub-delegating his powers, albeit within the limits that are periodically established for each one of them:

1. representing the Company, promoting, supervising and handling the external relations of the Company and the Group with public institutions, regulators, authorities, bodies and third parties, both inside and outside Italy, public and private, including (for example), CONSOB, Borsa Italiana, banks, financial institutions, insurance companies and Infocamere S.C.p.A., the press, information outlets, the media in general, economic and industry associations, the financial community, the scientific community, investors and stakeholders;
2. ensuring adequate information flows among the committees provided for in the 2018 corporate governance code and the Board of Directors, guaranteeing the consistency of the decisions of the Company's boards;
3. examining, also on the basis of the information that will be provided by the Chief Executive Officer, the terms and conditions of possible transactions of significant strategic or financial importance for the Company and the Group it heads - including, without limitation, possible investment and/or disinvest-

- ment transactions of equity investments in other companies, companies and/or business units - in order to propose them, together with the Chief Executive Officer, to the Board of Directors; in this context, the Chairman may, in the name and on behalf of the Company, directly or indirectly (as the person who exercises direction and coordination pursuant to art. 2497 of the Italian Civil Code), sign non-disclosure agreements of any kind with free signature, as well as authorise and/or formulate, with joint signature with the Chief Executive Officer, expressions of interest and/or non-binding offers whose consideration ranges between Euro 30 million and Euro 50 million, in any case with the obligation to inform the first Board of Directors thereof;
4. examining periodically, also based on the information which will be provided by the Chief Executive Officer, the general performance of operations and the implementation of the strategic, business and financial plans of the Company and the Group to which it belongs, in order to guarantee, jointly with the Chief Executive Officer, the fairness and timeliness of the disclosures to give in this regard to the Board of Directors;
 5. requesting the issuance, amendments and/or integrations of the license mandated by Article 134 of the “Testo Unico delle Leggi di Pubblica Sicurezza” (“TULPS” - Consolidated Public Safety Laws), of commercial information, as provided by Article 5(1)(b) of Ministerial Decree 269 of 1 December 2010, and representing the Company for management of the activities for which that license was issued, with it being agreed that that authorisation includes all powers related to management of the license in question;
 6. representing the Company in all types of legal proceedings - including enforcement proceedings and collective creditor proceedings - both as plaintiff and as defendant, in all jurisdictions of any type and level, make settlements or abandon claims in judicial and extrajudicial disputes, with single power of signature for amounts not exceeding **Euro 500,000** and jointly with the Chief Executive Officer up to **Euro 1,000,000** for each individual settlement and/or abandonment of claim; appointing and dismissing representatives to negotiate tax disputes before administrative and jurisdictional authorities and before the courts, without any limitation as to the level of jurisdiction; preparing tax audit reports and asset surrender reports, appointing for that purpose experts and custodians, demanding and enforcing real offers, attachment and seizures of assets held by debtors and other parties and opposing and revoking such actions;
 7. negotiating terms and conditions, signing, amending, withdrawing from and terminating passive agreements of any type - including, without limitation: leases and finance leases of movable and immovable assets, including of a long-term nature, agreements for the purchase, sale, exchange or transfer of real estate, equity investments, business units or parts of businesses; contracts for the acquisition of databases to be distributed to third parties - jointly with the Chief Executive Officer, up to **Euro 1,000,000** per individual transaction;
 8. negotiating terms and conditions, signing, amending, withdrawing from and terminating agreements of any type, amount and term between the Company and Cerved Group companies;
 9. negotiating terms and conditions, signing, amending, withdrawing from and terminating agreements for professional engagements; appointing and dismissing legal advisers and lawyers to represent and defend the Company in extrajudicial and/or judicial disputes - including arbitrations, enforcement and collective creditor proceedings - both as plaintiff and as defendant, in any do-



mestic or foreign jurisdiction, of any type and level, and entering into consulting agreements, jointly with the Chief Executive Officer, up to **Euro 1,000,000** per individual agreement;

10. representing the Company and casting votes in its name and on its behalf at shareholders' meetings of subsidiaries and investees;
11. signing all the Company's ordinary and extraordinary correspondence; and
12. within the limits of the powers granted to him and without prejudice to the powers conferred by law and/or the articles of association, issue and revoke mandates and general or special powers of attorney for certain acts or categories of acts, by appointing attorneys - including employees and/or professionals - and granting them with the power of company signature individually or jointly and with those attributions that he deems appropriate, including the power of sub-delegating authority.

The management powers listed above have been assigned to Gianandrea De Bernardis as Chairman of the Board of Directors of the Company, in light of the fact that, at the time of the assignment of these powers, the Issuer was faced with a change in the management responsibility of the company with the appointment of a new Chief Executive Officer, represented by Andrea Mignanelli. Therefore, according to the Issuer, this governance structure is suitable for facilitating this transition, ensuring continuity in the management of the Group, also in light of the fact that Gianandrea De Bernardis was, for a long time and in various ways, in charge of the company management.

The Chairman is not (i) the Issuer's chief executive officer, or (ii) the Issuer's controlling shareholder.

► 4.4.2. Chief Executive Officer

The Chief Executive Officer, Andrea Mignanelli, was granted all powers of ordinary administration necessary or useful for the performance of the Company's business, which are not reserved to the exclusive competence of the Board of Directors, as well as all the powers identified below, under his sole power of signature, if not otherwise envisaged and with the power of sub-delegating his powers, albeit within the limits that are periodically established for each one of them:

1. representing the Company before all public and private entities, banks, economic and territorial entities, offices and organisations of the public administration and responsible for tax related litigation, and entities providing social assistance, retirement and taxation services, more specifically with the right to execute all declarations, complaints and attestations, and complying with any other requirement of tax and social security regulations within the required deadlines and paying all related amounts;
2. representing the Company, promoting, supervising and handling the external relations of the Company and the Group with public institutions, regulators, authorities, bodies and third parties, both inside and outside Italy, public and private, including (for example), CONSOB, Borsa Italiana, banks, financial institutions, insurance companies and Infocamere S.C.p.A., the press, information outlets, the media in general, economic and industry associations, the financial community, the scientific community, investors and stakeholders;
3. defining and examining, also with the support of the Chairman, the terms and conditions of possible transactions of significant strategic or financial importance for the Company and the Group it heads - including, without limitation, possible investment and/or disinvestment transactions of equity investments in other companies and/or business units - in order to propose them, together with the Chairman, to the Board of Directors; in this context, the Chief Executive Officer may, in the name and on behalf of the Company, directly or indirectly (as the person who exercises direction and coordination pursuant to art. 2497 of the Italian Civil Code), sign non-disclosure agreements of any kind with free signature, as well as authorise and/or formulate expressions of interest and/or non-binding offers up to Euro 30 million under his sole power of signature and whose consideration ranges between Euro 30 million and Euro 50 million, with the joint signature of the Chairman, in any case with the obligation to inform the first Board of Directors thereof;
4. informing the Board of Directors periodically about the general performance of operations and the implementation of the strategic, industrial and financial plans of the Company and the Group to which it belongs, in order to guarantee, jointly with the Chairman, the fairness and timeliness of the disclosures to be given in this regard to the Board of Directors;
5. competing in calls for bids and tendering procedures organised by government departments, public and private, national or international bodies, for the provision of goods and services, submit bids and, if successful, signing the relevant contracts; representing the Company for the purpose of issuing declarations and statements concerning factual and legal situations pertaining to the Company requested by contracting entities for tenders, bids and offers for the signature of procurement contracts;
6. representing the Company in all types of legal proceedings - including enforcement proceedings and collective creditor proceedings - both as plaintiff and as



defendant, in all jurisdictions of any type and level, make settlements or abandon claims in judicial and extrajudicial disputes, with single power of signature for amounts not exceeding **Euro 500,000** and jointly with the Chairman up to **Euro 1,000,000** for each individual settlement and/or abandonment of claim; appointing and dismissing representatives to negotiate tax disputes before administrative and jurisdictional authorities and before the courts, without any limitation as to the level of jurisdiction; preparing tax audit reports and asset surrender reports, appointing for that purpose experts and custodians, demanding and enforcing real offers, attachment and seizures of assets held by debtors and other parties and opposing and revoking such actions;

7. negotiating terms and conditions, signing, amending, withdrawing from and terminating agreements of any type - including, without limitation: leases and finance leases of movable and immovable assets, including of a long-term nature, agreements for the purchase, sale, exchange or transfer of real estate, equity investments, business units or parts of businesses; contracts for the acquisition of databases to be distributed to third parties - provided that the total costs incurred by the Company do not exceed **Euro 500,000** and, jointly with the Chairman, up to **Euro 1,000,000** per individual transaction;
8. negotiating terms and conditions, signing, amending, withdrawing from and terminating trade agreements for the sale and supply of goods and services related to the Company's core business - including, without limitation, the contracts governing the distribution of the Company's services and products in Italy and/or abroad - with independent signature and unlimited amount;
9. negotiating terms and conditions, signing, amending, withdrawing from and terminating agreements for professional engagements; appointing and dismissing legal advisers and lawyers to represent and defend the Company in extrajudicial and/or judicial disputes - including arbitrations, enforcement and collective creditor proceedings - both as plaintiff and as defendant, in any domestic or foreign jurisdiction, of any type and level, and entering into consultancy agreements, albeit within the limit of **Euro 500,000** per individual agreement and, with the Chairman's joint signature, within the limit of **Euro 1,000,000**, per individual agreement;
10. negotiating terms and conditions, signing, amending, withdrawing from and terminating agreements of any type, amount and term between the Company and Cerved Group companies, except for the contracts between the Company and the direct subsidiary Cerved Credit Management Group S.r.l., and its subsidiaries;
11. negotiating terms and conditions, making, amending, withdrawing from and terminating agreements for the purchase, sale and exchange of vehicles in general, inter alia through finance leases, with powers to exempt the public registrars from liability;
12. negotiating terms and conditions, executing, amending, rescinding and terminating supply contracts with suppliers of electric power, telephone service, gas, water and similar utilities, making and signing any and all declarations and requests that may be necessary and appropriate, including applications for transfer and cancellation of registration;
13. negotiating terms and conditions, executing, amending, rescinding and terminating insurance and reinsurance contracts, executing policies with any entity or company;

14. authorising payment of all approved expenses, without amount restrictions;
15. approve sales prices, special sales terms, distribution contracts and agency contracts;
16. carrying out all acts and operations concerning the performance of valuation services, on one's own behalf or on behalf of third parties, of movable and immovable, tangible and intangible assets for insurance, banking, management and commercial purposes; acquiring engagements relating to the management and performance of feasibility studies, research, indexes, processing, consultancy and expert opinions; supervising and controlling the correct execution, management and coordination of the aforementioned activities;
17. waiving receivables that are uncollectible or the collection of which would be unprofitable for amounts not greater than **Euro 100,000**;
18. execute all types of bank transactions, opening and closing current accounts in the Company's name with banks, credit institutions, post and telegraph offices and other offices or entities; depositing all sums belonging to the Company; operate these accounts using any overdraft facilities within the limits of the available credit; authorising cash management transactions;
19. negotiating terms and conditions, signing, amending, withdrawing from and terminating loan agreements and otherwise assuming financial liabilities up to the limit of indebtedness of **Euro 1,000,000** per loan; negotiating terms and conditions, signing, amending, withdrawing from and terminating factoring agreements and, in general, contracts for the purchase and sale of loans, up to a maximum of **Euro 2,000,000**;
20. demand and collect, including both principal and ancillary amounts, any sums or receivables under any title and for any reason owed to the Company, and issuing the respective receipts and releases;
21. hiring and firing employees, middle managers and senior managers within the annual budget approved by the Board of Directors; setting the remuneration of employees consistently with the remuneration policy approved by the Board of Directors, taking all disciplinary action against those employees as appropriate, drafting internal regulations with the specific power to define duties, positions, remuneration, signing letters of employment and requesting approvals from the Employment Office of the Ministry of Labour; and exercising all powers related to the complete management of existing employment relationships; representing the Company in relations with trade unions and company organisations in general, including negotiations and signing company collective bargaining agreements;
22. pay the periodic remuneration to employees and the corresponding mandatory social security contributions;
23. exercising decision-making, spending, management and control powers concerning (i) determination of the aims, methods and tools for the processing of personal data by the Company, in its capacity as data controller pursuant to Article 4, point 7 of Regulation (EU) 2016/679 (the "**Data Controller**"), and (ii) compliance with the related obligations imposed by current personal data protection laws, and representing the Company as the delegate to exercise the Data Controller's data processing powers, in relations with third parties, and to grant a special power of attorney to represent and defend the Company in adminis-



trative and judicial proceedings of all types and levels in relation to issues and controversies related to the aforementioned matter, negotiate terms and conditions, sign, amend, terminate and withdraw from personal data secrecy and confidentiality agreements and other information, or otherwise secret and confidential information held by the Company, contracts to identify data processors or sub-data processors, pursuant to Article 28 of Regulation (EU) 2016/679 with the power, inter alia, to sub-delegate some or all of the granted powers and to use, in performing these functions, the privacy delegates identified in the Company's "privacy organisation model" and persons from outside the Company, but with the obligation to report periodically to the Board of Directors, inter alia by submitting a report at least annually, in regard to the activities performed in the exercise of delegated functions and the status of compliance with the obligations imposed on the protection of personal data;

24. submitting applications and performing any act at any public or private office inside or outside Italy as necessary, preparatory, functional or otherwise connected to registering, modifying, maintaining and extinguishing patents, trademarks, designs, brands, utility models, domain names, copyright and any other intellectual property right in general; appointing advisers, lawyers, professionals and correspondents inside and outside Italy for this purpose, by giving them the relevant mandates;
25. conducting any activity required to obtain licenses, authorisations and concessions;
26. acting as Employer and environmental protection manager of the Company, with all powers, independent signature authority, and full decision-making and spending authority in accordance with corporate procedures to make all decisions and take all initiatives in regard to occupational health, safety and hygiene and environmental protection, being able to act with the same prerogatives of the board of directors and in substitution of it in terms of functions and independent decision-making and financial authority; all of this shall be done without any limits, so that he can assume the powers, duties and responsibilities in these matters that are assigned to the board of directors under the articles of association. In order to allow him to discharge his mandate, the Chief Executive Officer is granted with the ownership of the employment relationship between the Company and its employees, including those operating at secondary production units, with the power - to be exercised in compliance with corporate procedures - to hire, dismiss and take disciplinary measures, organise work, assess its risks and verify that his own directives have been carried out. As the Employer and environmental protection manager, the Chief Executive Officer will have to:
 - a) ensure the proper application of all existing and future legal provisions as applicable to the operating areas discussed here and in full compliance with all provisions, circulars, orders and implementing regulations, including the national collective bargaining agreements;
 - b) stay constantly abreast of newly issued measures affecting the responsibilities delegated to him, and in regard to the best available techniques to be applied, in accordance with statutory provisions; he may draw on the assistance of consultants, and the work of senior managers, supervisors and employees in general, inter alia through the issuance of circulars and internal orders, as part of the coordinated organisation and implementation of legally mandated safety and environmental protection measures, systematically monitoring their effective and fair implementation;

- c) if he deems it will help achieve the assigned objectives, he may delegate performance of the operating obligations on the matters under his own responsibility, with the sole limit being the top management and/or corporate policy decisions and obligations that may not be delegated under the law – in regard to occupational safety and health –and particularly in regard to the limits imposed by Article 17 of Legislative Decree 81/2008 on the delegation of occupational health and safety functions;
- d) he may use the budget set by the Board of Directors to exercise his assigned powers, although he still has the duty and possibility to order purchases and expenditures beyond the limits set in the budget whenever, in occupational safety, environmental protection and third party safety matters, he finds it urgently necessary to do so, with the power to establish the priorities in performing the work.

In his capacity as employer and environmental protection manager, the Chief Executive Officer is also delegated the following powers:

- i. representing the Company before all authorities and entities, both public and private, in order to obtain permits, concessions, licenses, approvals, opinions, authorisations and other measures as necessary to perform the activity, in addition to the powers inherent in the management of correspondence related to the acts under his responsibility, signing the documents necessary for obtaining the issuance of authorisations, permits, extensions, deferrals and concessions, the signing of attestations, certificates, warnings, reports and similar documents, the hiring, firing and imposition of disciplinary measures as envisaged in the National Collective Bargaining Agreement, the protection of employees' privacy, and generally all powers related to the complete management of existing employment relationships; represent the company before all public and private authorities and entities, in order to obtain permits, concessions, licenses, approvals, opinions, authorisations and other measures necessary to perform the activity;
 - ii. representing the Company before all court authorities and arbitration panels, including in the matters covered by this resolution;
27. representing the Company and casting votes in its name and on its behalf at the shareholders' meetings of subsidiaries and investees, except at the shareholders' meetings of the direct subsidiary Cerved Credit Management Group S.r.l. and the latter's subsidiaries;
28. signing all the Company's ordinary and extraordinary correspondence;
29. within the limits of the powers granted to him, issuing and revoking mandates and general or special powers of attorney for certain acts or categories of acts, by appointing representatives - including employees and/or professionals - and granting them with the power of company signature individually or jointly and with those attributions that he deems necessary and/or appropriate, including the power of sub-delegating authority.

The Company's Chief Executive Officer is not in interlocking directorate situations.



► 4.4.3 Executive Committee

(pursuant to Article 123-bis, paragraph 2d) of the Consolidated Law on Finance)

To date, the Issuer has not deemed it necessary to establish an Executive Committee.

► 4.4.4. Reporting to the Board of Directors

The delegated bodies shall report promptly to the Board of Directors and the Board of Statutory Auditors at least on a monthly basis and in any case in connection with any Board of Directors' meeting, on the activities carried out, the general performance of the Company's operations and its business outlook, as well as on any transactions of particular economic or financial significance, those with a major financial impact, or those whose size or characteristics make them especially important, executed by the Company and the Subsidiaries. More specifically, they shall report on transactions in which they may have an interest, directly or on behalf of third parties.

In this respect, the following should be noted:

- › during the Year, 23 Board meetings were held in which the delegated bodies reported, among other things, on the operating performance and the most significant transactions in progress; and
- › all transactions of the Subsidiaries are submitted for approval to the Issuer's Board of Directors and are, in any event, disclosed during Board meetings, as the Issuer exercises management and coordination activities over these companies.

4.5. OTHER EXECUTIVE DIRECTORS

In addition to the Executive Chairman and the Chief Executive Officer, Sabrina Delle Curti is also an executive director insofar as she is General Counsel and head of the legal, institutional and corporate affairs department of the Cerved Group.

4.6. INDEPENDENT DIRECTORS

The Company Board of Directors consists of seven independent directors out of a total of eleven directors. Therefore, the independent directors account for more than half of the total number of directors.

In compliance with application criterion 3.C.4, of the 2018 Corporate Governance Code, the Board of Directors checks that the directors remain in compliance with the prerequisites for independence at least annually and on the basis of information provided by the individual directors or available to the Issuer.

At its meeting on 25 March 2021, the Board of Directors, based on the information provided by each director and their curricula vitae (listing all the management and control positions they hold at other companies), decided that the Lead Independent Director, Fabio Cerchiai, and the non-executive directors Alessandra Stabellini, Mario Francesco Pitto, Andrea Casalini, Mara Caverni, Valentina Montanari and Aurelio Regina met the prerequisites for being considered independent, both pursuant to Article 147-ter, paragraph 4, and Article 148, paragraph 3 of the Consolidated Law on Finance, and pursuant to the 2018 Corporate Governance Code and the new 2020 Corporate Governance Code. The Board of Directors gives notice of the result of its findings through this Report.

During the assessment of the prerequisites for independence, the Chairman of the Board of Directors asked the affected directors to provide any additional information as necessary for a complete and adequate assessment that the prerequisites for assuming the position as imposed by current law were in fact met.

As mentioned above, the Board assessed the satisfaction of the independence requirements, in addition to Article 147-ter, paragraph 4 of the Consolidated Law on Finance:

› in accordance with the 2018 Corporate Governance Code: in this regard, all of the criteria set forth in application criterion 3.C.1 were applied. The satisfaction of the independence requirements was confirmed for Mr Fabio Cerchiai, based on the assessments already set forth in paragraph 4.2. Moreover, the Board of Directors considered that the 2020 Corporate Governance Code does no longer consider the case in question as a situation liable to jeopardise the independence.

With reference to the criteria used for the assessment, it should be noted that the Board of Directors, on 14 July 2020, adopted some quantitative parameters for assessing the independence of the representatives (i.e. directors and auditors) should they have indirect commercial or professional relations with the Company.

In particular, the Board of Directors has established the criterion that a representative should be considered independent when the annual fee for any professional services provided to the Company and/or its subsidiaries does not exceed:

- 5% of the annual turnover of the Company or Entity over which the representative has control or of which he or she is a key representative or of the Independent Professional Firm or Consultancy Company of which he or she is a partner; or, in any case

- the amount of Euro 200,000 (understood as the annual fee for the professional services provided by the Company or Entity over which the representative has control or of which he or she is a key representative or of the Independent Professional Firm or Consultancy Company of which he or she is a partner);

› in accordance with the 2020 Corporate Governance Code: in this regard, all of the criteria set forth in recommendation 7 were applied. On 23 February 2021, the Board of Directors approved certain changes to the criteria already adopted, while also introducing certain qualitative criteria.

- The criteria currently used to evaluate the significance of the parameters laid down by recommendation 7c) and d) of the 2020 Corporate Governance Code, for the purposes of verifying directors' independence are as follows.

- With reference to Recommendation 7c) of the 2020 Corporate Governance Code, a director should be considered independent when (unless specific circumstances to be assessed in a concrete manner) the overall value of any business, financial or professional relations during the current financial year or the three previous financial years with the Company, its subsidiaries or the relevant executive directors or top management, shall not exceed the lower of:

- (i) 5% of the annual turnover of the company or entity over which the director has control or of which he or she is a key representative or of the Independent Professional Firm or Consultancy Company of which he or she is a partner;



- (ii) the amount of Euro 200,000 (understood as the annual fee for the professional services provided by the Company or Entity over which the director has control or of which he or she is a key representative or of the Independent Professional Firm or Consultancy Company of which he or she is a partner).

With no prejudice to the aforementioned criteria (and independently of them), should a director also be a partner of an independent professional firm or consultancy company, the Board of Directors may consider the independence requirement compromised if there are significant professional relationships that relate to key extraordinary operations conducted by the Company or the Group.

- With reference to Recommendation 7d) of the 2020 Corporate Governance Code, a director should be considered independent when (unless specific circumstances to be assessed in a concrete manner dictate otherwise), on an individual basis, the additional remuneration paid directly to the director during the current financial year or the three previous financial years (i) by the Company or (ii) by one of its subsidiaries does not exceed the overall consideration deriving from the office held and participation in the committees recommended by the 2020 Corporate Governance Code or provided for by the legislation in force.

For these purposes, account will be taken of any relationships with a close relative of the director (i.e. parents, children, spouse (unless legally separated) and partners).

The above criteria also apply, *mutatis mutandis*, for assessing the independence of the Board of Statutory Auditors.

The above-mentioned independent directors have not made a commitment, when submitting the lists, to preserve their independence for the full duration of their mandates. In any case, it should be noted that these independence requirements have always been maintained by said directors. The said independent directors confirmed that they qualified as independent and, at the same time, agreed to promptly inform the Board of Directors and the Board of Statutory Auditors of any change concerning the above requirements, such to compromise their independence of judgement, both when accepting the position and in writing through the notice sent to the Issuer at the beginning of each year after that in which they were appointed.

As also envisaged by the 2018 Corporate Governance Code, the Board of Statutory Auditors found at its meeting on 25 March 2021 that the criteria and procedures adopted by the Board of Directors to assess the directors' independence were fair, and the result of that review was reported in the Report of the Statutory Auditors to the Shareholders' Meeting pursuant to Article 2429 Italian Civil Code.

In line with the provisions of application criterion 3.C.6 of the 2018 Corporate Governance Code, during the Year, the independent directors met once in an ad hoc meeting without the other directors.

The meeting was held on 10 November 2020 and the following matters were addressed:

- › Analysis of the Company's governance, with particular reference to the role of the independent and executive directors.

- › Analysis of the new features of the 2020 Corporate Governance Code, which will come into force on 1 January 2021, and reflections on the future governance of the Company.
- › Corporate Social Responsibility & Environmental Management: verification of the implementation of these practices at Group level and potential future scenarios.

4.7. LEAD INDEPENDENT DIRECTOR

Article 2.C.4. of the 2018 Corporate Governance Code recommends the appointment of a Lead Independent Director, inter alia, if the chairman of the board of directors is chief executive officer. That said, although the conditions for the appointment of the Lead Independent Director are not met, taking into account the fact that, within the Company Board of Directors, the Chairman of the Board of Directors is an executive director, with a view to best governance, on 19 April 2019, the Board of Directors appointed Fabio Cerchiai as Lead Independent Director.

The Lead Independent Director collaborates with the Chairman of the Board of Directors in order to ensure that the directors receive complete and timely information flows, and has the power to convene, independently or at the request of other directors, specific meetings of independent or non-executive directors only, to discuss issues deemed of interest with respect to the functioning of the Board of Directors or company management.

In this respect, during the Year, the Lead Independent Director, has:

- › organised, convened and chaired the meeting of independent directors held on 10 November 2020;
- › participated in some meetings of the Related Party Committee for the Keplero Project;
- › collaborated with the Chairman of the Board of Directors in order to ensure that the directors received complete and timely information flows.

5. Treatment of corporate information

MANAGING INSIDE INFORMATION

As recommended by the Corporate Governance Code, on 23 June 2014, the Board of Directors approved the Inside Information Procedure, subsequently updated by Board resolution, (i) on 13 July 2016, following the coming into force of the MAR and its implementing regulations and (ii) on 22 February 2018, in light of the issue of Consob Guidelines.



Moreover, on 19 December 2018, the Issuer further updated the Inside Information Procedure, also following the coming into force, on 29 September 2018, of Legislative Decree 107/2018, laying down rules for adjusting national legislation to the provisions of the MAR.

The Inside Information Procedure is aimed at ensuring compliance with the applicable statutory and regulatory provisions and ensure the utmost confidentiality of Inside Information.

In accordance with the provisions of Article 18(1)(a) of the MAR and in accordance with the implementation regulation, the Company set up a register of Recipients who have access to Inside Information.

The Inside Information Procedure is available on the Company's website <https://company.cerved.com/it/documenti>, in the "procedures" section.

INTERNAL DEALING

In accordance with applicable legislation and regulations, on 23 June 2014, the Board of Directors approved a procedure governing the disclosure to the market of the transactions carried out by relevant persons and concerning the shares and the other financial instruments issued by the Company ("**Internal Dealing Procedure**").

The Internal Dealing Procedure was subsequently updated, by means of a Board resolution, (i) on 13 July 2016, following the coming into force of the MAR and its implementing regulations and, finally, (ii) on 19 December 2018, also in the light of the coming into force, on 29 September 2018, of Legislative Decree 107/2018, laying down rules for adjusting national legislation to the provisions of the MAR.

The Internal Dealing Procedure is available on the Company's website <https://company.cerved.com/it/internal-dealing>.

6. Board committees

(pursuant to Article 123-bis, paragraph 2, letter d) of the Consolidated Law on Finance)

At its meeting on 19 April 2019, held after the Board of Directors was renewed, the members of the following committees were appointed:

- › Remuneration and Nomination Committee, which in accordance with articles 5 and 6 of the 2018 Corporate Governance Code, assists the Board of Directors with consultancy and advisory investigating functions, in the assessments and decisions related to the composition of the Board of Directors and the remuneration of Directors and key managers;
- › Sustainability, Risk and Control Committee, pursuant to principle 7.P.3. of the 2018 Corporate Governance Code, with inquiry duties, consultative and advisory functions, in the evaluations and decisions related to (i) the Risk and Con-

tol System, (ii) the approval of periodic financial reporting and, finally, (iii) the Group's sustainability and social responsibility issues; and

- Related Party Committee, in implementation of the provisions contained in Article 2391-bis Italian Civil Code and in the Related Party Regulation and considering applicable Consob guidance.

The Remuneration and Nomination Committee jointly performs the functions that the 2018 Corporate Governance Code assigns to the nomination committee and the remuneration committee, respectively. The Board's decision to combine the functions of the two committees is mainly attributable to (i) reasons of flexibility and affinities between some of the matters that the 2018 Corporate Governance Code respectively assigns to the remuneration committee and the nomination committee and (ii) to eliminate the risk of coordination gaps. The Remuneration and Nomination Committee complies with the conditions set out in the 2018 Corporate Governance Code for both the nomination and the remuneration committee. The examination of transactions with the Group's related parties concerning the payment of remuneration is the responsibility of the Related Party Committee.

Reference is made to the following paragraphs of this Report for a description of the composition, functions, tasks, resources and activities that can be associated with the aforementioned committees.

7. Remuneration and nomination committee

COMPOSITION OF THE REMUNERATION AND NOMINATION COMMITTEE

On 19 April 2019, the Board of Directors appointed the members of the Remuneration and Nomination Committee. Its members are:

- Aurelio Regina (Chairman - Independent Director);
- Umberto Carlo Maria Nicodano (Non-executive, non-independent Director);
- Fabio Cerchiai (Lead Independent Director);
- Valentina Montanari (Independent Director).

The term of office of the members of the Remuneration and Nomination Committee will expire with that of the Board of Directors.

The Remuneration and Nomination Committee, which comprises (i) non-executive, mainly independent directors and (ii) an independent member acting as the Chairman, complies with the principles of the 2018 Corporate Governance Code governing the composition of the nomination committee and the remuneration committee.



Furthermore, with respect to the professional requirements of the members of the Remuneration and Nomination Committee set out in the 2018 Corporate Governance Code, it is confirmed that all members of the Remuneration and Nomination Committee have adequate knowledge and experience of accounting and financial and/or remuneration matters, as evaluated by the Board of Directors at the time of nomination.

FUNCTIONS ASSIGNED TO THE REMUNERATION AND NOMINATION COMMITTEE

As mentioned earlier, the Remuneration and Nomination Committee performs the consultative and advisory tasks which, pursuant to the 2018 Corporate Governance Code, the related operating regulations and best practices, are assigned to the remuneration and nomination committee.

The duties assigned to the Committee during the Year are shown below. Specifically:

- a) it periodically assesses the adequacy, overall consistency and actual implementation of the directors' and key managers' remuneration policy, based on the information provided by the chief executive officers, and formulates proposals in this regard for the Board of Directors;
- b) it presents proposals or expresses opinions to the Board of Directors on the remuneration of executive directors, chief executive officers and other directors assigned special functions, and on the performance objectives related to the variable component of this remuneration; it monitors the implementation of decisions taken by the Board of Directors, checking, in particular, the actual achievement of performance objectives;
- c) with regard to any stock option plans or other share-based incentive systems, it provides the Board of Directors with its recommendations regarding the use of such plans or systems and all significant technical issues related to their design and implementation. Specifically, it submits proposals to the Board of Directors regarding the incentive system that it deems most appropriate and monitors the evolution and implementation of the incentive plans over time;
- d) it submits to the Board of Directors for approval the Remuneration Report and, more specifically, the remuneration policy for directors and key managers prior to its submission to the shareholders' meeting convened to approve the annual financial statements, within the deadline required by the law;
- e) it reports, through its chairman or another committee member designated by the chairman, to the Shareholders' meeting convened to approve the annual financial statements on the procedures applied for the purpose of performing its functions; and
- f) it performs any additional tasks that the Board of Directors may assign to it subsequently.

The Remuneration and Nomination Committee is also entrusted with the following functions which, pursuant to the 2018 Code, are the responsibility of the Nomination Committee. Specifically:

- a) it oversees the annual self-assessment of the Board of Directors and its Committees pursuant to the 2018 Corporate Governance Code and, based on the outcome of such self-assessment, it expresses opinions to the Board of Directors

about the size and composition of the Board;

- b) makes recommendations regarding the professional and management figures whose presence on the Board of Directors is considered appropriate, as well as on (i) the maximum number of offices as director and statutory auditor that may be considered compatible with an effective performance of an issuer director's duties and (ii) the evaluation of the prior general authorisation to derogate from the rule prohibiting competition that the shareholders may grant, as permitted by Article 2390 of the Italian Civil Code;
- c) it selects and proposes to the Board of Directors, in cases of co-opting, candidates for membership of the Board of Director, indicating their names and/or requirements;
- d) it recommends, in the case of renewals, the candidates for directors' offices to be proposed, indicating their names and/or requirements;
- e) it prepares a plan for the succession of executive directors;
- f) on an annual basis, it conducts an assessment of the activities carried out by the Board of Directors and its Committees;
- g) it periodically updates the Board of Directors on the development of corporate governance rules, while submitting proposed adjustments; and
- h) it prepares the plan for the periodic checks of the directors' independence and integrity requirements and that there are no issues making them ineligible or incompatible.

The meeting of 23 February 2021 approved certain amendments to the Remuneration and Nomination Committee regulation (while also changing its name to the Remuneration Nomination and Corporate Governance Committee), in order to bring its content in line with the new 2020 Corporate Governance Code. The Committee's duties in accordance with the most recently approved regulations are listed below.

The Committee:

- 1) aids the Board of Directors in developing a remuneration policy and submits the Report on the Policy regarding Remuneration and Fees Paid to the approval of the Board of Directors, along with, in particular, the Remuneration Policy for Directors, key managers and, with no prejudice to the provisions of Article 2402 of the Italian Civil Code, members of the Board of Statutory Auditors for submission to the Shareholders' Meeting convened to approve the annual financial statements, in accordance with the law;
- 2) periodically assesses the adequacy, overall consistency and actual implementation of the remuneration policy for the directors and top management, based on the information provided by the chief executive officers, and formulates proposals in this regard for the Board of Directors;
- 3) presents proposals or expresses opinions on the remuneration of executive directors and other directors assigned special functions, and on the performance objectives related to the variable component of this remuneration; it monitors the implementation of decisions taken by the Board of Directors, checking, in particular, the actual achievement of performance objectives;



- 4) with regard to any stock option plans or other share-based incentive systems, provides the Board of Directors with its recommendations regarding the use of such plans or systems and all significant technical issues related to their design and implementation. Specifically, the Committee submits proposals to the Board of Directors regarding the incentive system that it deems most appropriate and monitors the evolution and implementation of the incentive plans over time;
- 5) reports, through the Chairman of the Committee or another committee member designated by him or her, to the Shareholders' meeting convened to approve the annual financial statements on the procedures applied for the purpose of performing its functions;
- 6) performs any additional tasks that the Board of Directors may assign to it subsequently, including as regards transactions with related parties with reference to the remuneration of company representatives and the top management, according to the terms and conditions established in the procedure for transactions with related parties.

The Committee also assists the Board of Directors in the following activities:

- (i) annual self-assessment of the Board of Directors and its Committees pursuant to the Corporate 2020 Governance Code;
- (ii) definition of the optimal composition of the Board of Directors and its Committees;
- (iii) identification of the candidates for the role of director in the case of co-option;
- (iv) the submissions of any list by the outgoing administrative body, to be implemented according to procedures which ensure transparent preparation and submission;
- (v) the preparation, updating and implementation of the succession plan for the Chief Executive Officer and other executive directors which identifies, as a minimum, the procedures to follow in the case of early departure from office;
- (vi) periodic updates to the Board of Directors on the development of corporate governance rules, while submitting proposed adjustments;
- (vii) investigation of the periodic checks of the directors' independence and integrity requirements and that there are no issues making them ineligible or incompatible.

In 2020, the Remuneration and Nomination Committee met 8 times. Each meeting had an average duration of approximately 45 minutes. Reference should be made to Table 2 ("*Structure of the Board of Directors*") attached to this Report for information about the attendance percentage of each member of the committee in the above meetings. In accordance with the recommendations set out in application criterion 6.C.6 of the 2018 Corporate Governance Code, no Director shall participate in meetings of the Remuneration and Nomination Committee during which proposals in respect of his/her remuneration are formulated to the Board of Directors. The meetings of the Remuneration and Nomination Committee are regularly recorded into minutes.

The Issuer declares that:

- (i) the meetings of the Remuneration and Nomination Committee are chaired by the Chairman and, should he be absent or prevented from so doing, by the oldest attending member, and duly recorded into minutes;
- (ii) the Chairman of the Remuneration and Nomination Committee, or another member in the event of his absence, has reported as soon as possible to the Board of Directors on the activities of the Committee and the topics discussed at each of its meetings.

On invitation from the Remuneration and Nomination Committee and in regard to specific items on the agenda, some of its sessions were attended by the HR Director of the Cerved Group, Simone Martina (who also serves as secretary to the Committee), and external consultants for specific matters on the agenda.

In any event, the Issuer's executive directors abstain from participation at Remuneration and Nomination Committee meetings where proposals regarding their remuneration are made to the Board of Directors.

The Chairman of the Board of Statutory Auditors, as recommended in the "Comment" on Article 6 of the 2018 Code, has always been invited to the meetings of the Remuneration and Nomination Committee. The said Chairman of the Board of Statutory Auditors or another auditor appointed by her, has participated in the meetings of the Remuneration and Nomination Committee.

During the Year, the Remuneration and Nomination Committee performed the activities under its jurisdiction and, specifically, discussed, resolved and made proposals to the Board of Directors mainly on the following:

- › Letter from the Chairwoman for Corporate Governance, Patrizia Grieco, and 2020 Proxy Guidelines;
- › Assessment of the continuing satisfaction of the directors' independence requirements;
- › Mapping of the Key Managers and analysis of the CEO's proposals relating to the revision of the remuneration packages;
- › 2020 objectives of the Chief Executive Officer, Andrea Mignanelli;
- › Vesting Proposal for assignment pursuant to the 2nd Cycle of the Performance Share Plan 2019-2021;
- › Final payment of the 2019 variable bonus to the Chief Executive Officer and Key Managers;
- › Definition of the 2020 Incentive System - EBITDA curve;
- › Analysis of the Remuneration and Nomination Committee Report on the activities conducted in 2019 and the 2020 budget;
- › Analysis of the Remuneration Report and tables;
- › Self-assessment of the Board of Directors and internal Committees;
- › Any amendments to the long-term incentive plans (in the case of extraordinary transactions);
- › Assignment of targets for the 2020 for the CEO;
- › Analysis of the letter from the Chairman of the Remuneration Report Committee;
- › Impacts of the COVID-19 emergency on remuneration policies and practices: amendments and additions;
- › Investigation regarding the termination of the employment relationship with a Key Manager;
- › Appointment of two new key managers;
- › Analysis of the COVID-19 impacts on the long-term incentive tools;



- › Any regulatory amendments to the existing long-term incentive plans;
- › Determination of the performance targets relating to the 2nd tranche of the “Performance Share Plan 2022-2024” and proposed allocation for the 2nd cycle;
- › Scheduling and validation of the Committee’s pre-meeting activities;
- › Update concerning the new 2020 Corporate Governance Code and the Issuers’ Regulation.

The Remuneration and Nomination Committee has the right to access the information and company departments necessary to perform its tasks and may use advisers upon verification that the advisers are not in situations such to compromise their independence of judgement. The Remuneration and Nomination Committee, during the Year, called on the following external consultants: (i) Crisci&Partners S.r.l. for the self-assessment of the Board of Directors, (ii) Deloitte Consulting S.r.l. for the Report on remuneration and fees paid, (iii) Studio Bonelli Erede for amendments to the LTIP, (iv) KPMG Advisory S.p.A. for the method of calculating certain relevant indicators for the purposes of verifying the conditions provided for in the Performance Share Plan and (v) Mercer for a focus on the amendments to the incentive systems.

In accordance with its regulation, the Remuneration and Nomination Committee shall have the financial resources necessary to pay the fees of the above advisers or other experts and to perform the tasks assigned to it. The Remuneration and Nomination Committee budget for the Year, as approved by the Board of Directors in its meeting of 26 February 2020, amounted to Euro 90,000.

Since the end of the Year, the Remuneration and Nomination Committee has already met 5 times, on 20 January, 9 and 24 February, 8 and 23 March 2021.

8. Directors’ remuneration

For information about the Directors’ remuneration, reference should be made to the Remuneration Report approved on 25 March 2021 by the Board of Directors. The Remuneration Report is available at the Company’s registered office and on the website <https://company.cerved.com/>, in the *governance/documents and procedures/procedures* section.

9. Sustainability, risk and control committee

COMPOSITION OF THE SUSTAINABILITY, RISK AND CONTROL COMMITTEE

The Sustainability, Risk and Control Committee is composed of three independent non-executive directors.

The current members are:

- Alessandra Stabilini (Chairman - Independent Director);
- Mara Anna Rita Caverni (Independent Director); and
- Valentina Montanari (Independent Director).

The term of office of the members of the Sustainability, Risk and Control Committee - appointed on 19 April 2019 - will expire with that of the Board of Directors.

As provided for in the 2018 Corporate Governance Code and the regulations of the Sustainability, Risk and Control Committee, the Committee as a whole possesses adequate competence in the sector of activities in which the Company operates, needed to assess the relevant risks. Moreover, at least one member of the Committee has adequate experience of accounting and financial or risk management matters, evaluated by the Board of Directors at the time of appointment.

In particular, as reported by the Board of Directors, at the meeting on 19 April 2019, all three members of the Committee have the prerequisite knowledge and experience in accounting, financial and risk management matters.

FUNCTIONS ASSIGNED TO THE SUSTAINABILITY, RISK AND CONTROL COMMITTEE

The Sustainability, Risk and Control Committee has consultative and proposal making functions and, in accordance with the 2018 Corporate Governance Code, the related committee regulation and the best practices, supports, with an adequate preparatory activity, the assessments and decisions of the Board of Directors concerning the Internal Control and Risk Management System and those concerning the approval of periodic financial reports.

The duties performed by the Committee during the Year are shown below. Specifically, and in accordance with the 2018 Corporate Governance Code and the best practices, the Sustainability, Risk and Control Committee, in assisting the Board of Directors:

- a) assesses, together with the manager in charge of Financial Reporting, with the input of the independent auditors and the Board of Statutory Auditors, the correct implementation of the accounting principles and their consistency for the purpose of preparing the consolidated financial statements;
- b) expresses opinions on specific issues concerning the identification of the main business risks;
- c) analyses periodic reports on the evaluation of the Internal Control and Risk



Management System and significant reports prepared by the Internal Audit Manager;

- d) monitors the independence, adequacy, effectiveness and efficiency of the Internal Audit department;
- e) may ask the Internal Audit Manager to audit specific operating areas, concurrently informing the Chairman of the Board of Statutory Auditors thereof, as well as the Chairman of the Board of Directors and the Director in charge of the Internal Control and Risk Management System;
- f) reports to the Board of Directors, at least every six months, at the approval of the annual and half-yearly reports, on the work performed and on the suitability of the Internal Control and Risk Management System;
- g) supports, with adequate preparatory activities, the assessments and decisions of the Board of Directors concerning the management of the risks arising from prejudicial facts known by the Board of Directors;
- h) supervises issues of sustainability connected with exercising business activities and the dynamics of interaction with stakeholders; examines and guides sustainability policies, processes and initiatives and monitors their implementation; defines and monitors sustainability targets;
- i) examines and supervises the non-financial reporting of the Cerved Group, including an analysis of materiality and the relevant stakeholder engagement activities, assessing their completeness and reliability, including on the basis of the requirements of Legislative Decree no. 254/2016 and the reporting framework adopted; supports the assessments and decisions of the Board of Directors concerning approval of non-financial information, pursuant to Legislative Decree no. 254/2016 (the “**Non-Financial Declaration**”).

Furthermore, again in accordance with the recommendations of the 2018 Corporate Governance Code, the Sustainability, Risk and Control Committee shall express its binding opinion to the Board of Directors on the following matters within the competence of the latter:

- a) definition of the guidelines of the Internal Control and Risk Management System, ensuring that the main risks applicable to the Company and its subsidiaries are correctly identified and adequately measured, managed and monitored, also determining the degree of compatibility between these risks and management that is consistent with the strategic objectives defined;
- b) the periodic assessment, at least once a year, of the adequacy and effectiveness of the Internal Control and Risk Management System, with respect to the Company’s characteristics and the relevant risk profile;
- c) periodic approval, at least once a year, of the audit plan prepared by the Internal Audit Manager, with the input of the Board of Statutory Auditors and the Director in charge of the Internal Control and Risk Management System;
- d) a description, in the report on corporate governance and ownership structure, of the main characteristics of the Internal Control and Risk Management System, and the coordination procedures among the parties involved; assessment of the system’s adequacy;

- e) periodic assessment (at least annual) of the internal control system that monitors the risks generated or suffered connected with matters included within the Non-Financial Declaration;
- f) description, within the Non-Financial Declaration, of the main risks generated or suffered, connected with social-environmental issues arising from the activities of the company, its products, services or business relations, including supply and subcontracting chains, as requested by Legislative Decree no. 254/2016;
- g) evaluation, with the input of the Board of Statutory Auditors, of the findings presented by the auditing firms in their management letter and in the report on the main issues identified during the statutory audit and in the Non-Financial Declaration (even when conducted by a party other than that tasked with the statutory auditing);
- h) proposal formulated by the director responsible for the Internal Control and Risk Management System for the Board of Directors (i) relating to the appointment, dismissal and remuneration of the Internal Audit Manager, in line with the Company's remuneration policies and (ii) aimed at ensuring that the Committee is vested with adequate resources for the fulfilment of its responsibilities.

The meeting on 11 February 2021 approved certain amendments to the Remuneration and Nomination Committee regulation, to bring its contents in line with the new 2020 Corporate Governance Code.

The duties of the Sustainability, Risk and Control Committee, in accordance with the most recently approved regulations, are listed below.

The Committee:

- a) shall assess, with the input of the Manager in charge of Financial Reporting, the independent auditors and the Board of Statutory Auditors, the correct implementation of the accounting principles and their consistency for the purpose of preparing the consolidated financial statements;
- b) shall assess the suitability of periodic financial and non-financial information to correctly represent the Company's business model, its strategies, the impact of its activities and the performance achieved, also in the light of the activity indicated in point k) below;
- c) shall examine the content of non-financial periodic information significant for the Internal Control and Risk Management System;
- d) shall express opinions on specific issues concerning the identification of the main business risks;
- e) shall review the periodic reports and those addressing particularly significant issues prepared by the Internal Audit department;
- f) shall monitor the independence, adequacy, effectiveness and efficiency of the Internal Audit department;
- g) may ask the Internal Audit department to audit specific operating areas, concurrently informing the Chairman of the Board of Statutory Auditors thereof;



- h) shall report to the Board of Directors, at least every six months, at the approval of the annual and half-yearly reports, on the work performed and on the suitability of the Internal Control and Risk Management System;
- i) supports, with adequate preparatory activities, the assessments and decisions of the Board of Directors concerning the management of the risks arising from prejudicial facts known by the Board of Directors;
- j) shall supervise issues of sustainability connected with exercising business activities and the dynamics of interaction with stakeholders, including through requests for information from the ESG Manager; examines and guides sustainability policies, processes and initiatives and monitors their implementation; proposes sustainability targets and monitors the achievement thereof;
- k) shall examine and supervise the non-financial reporting of the Cerved Group, including an analysis of materiality and the relevant stakeholder engagement activities, assessing their completeness and reliability, including on the basis of the requirements of Legislative Decree no. 254/2016 and the reporting framework adopted; supports the assessments and decisions of the Board of Directors concerning approval of non-financial information, pursuant to Legislative Decree no. 254/2016;
- l) shall assist the Board of Directors in analysing issues of significance for the generation of long-term value for the purposes of the examination and approval by the Board of Directors of the Business Plan of the Company and of the Group.

The Committee supports the Board of Directors with reference to the following matters within the remit of the latter:

- a) definition of the guidelines for the internal control and risk management system, in line with the Company's strategies and periodic assessment, at least once a year, of the adequacy of said system with respect to the characteristics of the Company and the risk profile assumed, as well as its effectiveness;
- b) appointment and dismissal of the head of the Internal Audit department, defining his or her remuneration in accordance with company policy and ensuring that he or she is equipped with adequate resources for the fulfilment of his or her duties. Should the Board of Directors decide to entrust the internal audit department, in its entirety or as segments of its operations, to a party outside the Company, the Committee shall support the Board in ensuring that he or she possesses adequate professionalism, independence and organisation, justifying the choice in the corporate governance report;
- c) the periodic approval, at least once a year, of the work plan prepared by the Internal Audit Manager, with the input of the Board of Statutory Auditors and the Chief Executive Officer;
- d) assessment of the appropriateness of adopting measures to ensure the effectiveness and impartiality of judgement of the other company departments indicated in recommendation 32(e) of the 2020 Corporate Governance Code, while checking that they are equipped with adequate professional expertise and resources;
- e) assignment to the Board of Statutory Auditors or to a duly established body of the supervisory duties stipulated in Article 6(1)(b) of Legislative Decree 231/2001. If the body differs from the Board of Statutory Auditors, the Committee shall as-

sist the Board of Directors in assessing the benefits of appointing, within the body, at least one non-executive director and/or member of the Board of Statutory Auditors and/or the holder of legal functions or control over the Company, to ensure coordination between the various parties involved in the internal control and risk management system;

- f) description, in the Report on Corporate Governance and Ownership Structures, of the main characteristics of the Internal Control and Risk Management System, and the procedures for coordinating the parties involved, indicating the benchmark national and international models and best practices, expression of the overall assessment of the adequacy of the system and an indication of the choices made regarding the composition of the supervisory body referred to in letter e) above;
- g) periodic assessment (at least annual) of the internal control system that monitors the risks generated or suffered connected with matters included within the Non-Financial Declaration;
- h) description, within the Non-Financial Declaration, of the main risks generated or suffered, connected with social-environmental issues arising from the activities of the company, its products, services or business relations, including supply and subcontracting chains, as requested by Legislative Decree no. 254/2016;
- i) evaluation, with the input of the Board of Statutory Auditors, of the findings presented by the independent auditors in any suggestions letter, in the additional report addressed to the Board of Statutory and in the report on the main issues identified during the independent auditing and in the Non-Financial Declaration (even when conducted by a party other than that tasked with the independent audit).

During the Year, the Sustainability, Risk and Control Committee met 14 times. Each meeting had an average duration of approximately 2 hours and 35 minutes. Reference should be made to Table 2 (“*Structure of the Board of Directors*”) attached to this Report for information about the attendance percentage of each member of the Sustainability, Risk and Control Committee at the above meetings. The meetings of the Sustainability, Risk and Control Committee are regularly recorded into minutes.

The Issuer declares that:

- i) the Sustainability, Risk and Control Committee appointed Orazio Mardente, Internal Audit Manager of the Cerved Group, as its secretary;
- ii) the meetings of the Sustainability, Risk and Control Committee are chaired by its Chairman and duly recorded into minutes;
- iii) during the Year, the Chairman of the Sustainability, Risk and Control Committee, or another member in the event of his absence, reported as soon as possible to the Board of Directors on the activities of the Committee and the topics discussed at each of its meetings.

Furthermore, in accordance with the relevant regulation, the Sustainability, Risk and Control Committee invited the Chief Executive Officer, Cerved Risk and Control Director, the Chairman of the Board of Statutory Auditors and other statutory auditors, the Manager in charge of Financial Reporting, the General Counsel, the Chief Financial Officer and the Human Resources Director of the Cerved Group,

the leader of the Growth Business Unit and the leader of the Risk Business Unit of Cerved, other group managers with reference to specific projects/relevant scopes, the reference partner and manager of PricewaterhouseCoopers S.p.A. (the accounting firm entrusted with the independent audit of Cerved financial statements) and the members of Cerved Supervisory Body pursuant to Legislative Decree 231/01, to attend some of the meetings mentioned above to discuss certain items on the agenda. In addition, the Internal Audit Manager also participated in the meetings as secretary. Where necessary, invitations to the meetings were also issued to consultants who assisted the Company and the Group in relevant projects subject to investigation by the Committee.

The Chairman of the Board of Statutory Auditors and, in most cases, the other members of the Board of Statutory Auditors always participated in the work of the Sustainability, Risk and Control Committee during the Year.

During the meetings held in 2020, the Sustainability, Risk and Control Committee performed the activities under its jurisdiction and, specifically, discussed and resolved on the matters listed below, expressing, where requested, its opinion to the Board of Directors on the following:

AREA	Activity
CORPORATE GOVERNANCE AND INTERNAL CONTROL AND RISK MANAGEMENT SYSTEM	<ul style="list-style-type: none"> › Analysis of the 2019 report on corporate governance and ownership structure prepared by the Company; › Analysis of issues connected with Cerved's draft financial statements at 31 December 2019 and the half-year report at 30 June 2020. › Analysis of the Non-Financial Declaration pursuant to Legislative Decree 254 of 2016 and the projects connected with ESG issues. › Analysis of the methodology used by Cerved for conducting the impairment test and the preliminary results of the analyses carried out. › Investigation of certain projects relevant for the business of the Company and of the Group and follow-up to check the level of progress of such projects. › Specific in-depth analyses in relation to the impairment test (5 meetings with an item on the agenda connected with the impairment test), including in consideration of the ESMA recommendation of 11 March 2020 on the notifying of the market of the impacts of COVID-19 by listed issuers. › Execution of a specific audit relating to a Group company.
INTERNAL AUDIT	<ul style="list-style-type: none"> › Review of the results of the audit activities carried out by the department, for Cerved and for the Group companies, during the second half of 2019 and the first half of 2020, including through an analysis of the Report on the Internal Audit Activities Carried Out; › Acquisition of information regarding the positive outcome (the maximum judgement that can be achieved) of the Quality Assurance Review of the department requested from an external assessor. › Analysis of reports received during 2019 and 2020, with details of the investigations conducted by the Internal Audit department. › Analysis of the proposed Audit Plan for 2020. › Analysis of the total budget for 2020. › Assessment, with respect to the remuneration of the Internal Audit Manager, the independence, adequacy, efficiency and effectiveness of the Internal Audit department. › Assessments of the adequacy, efficiency and effectiveness of the Internal Control and Risk Management System, as well as those associated with the adequacy of the organisational, administrative and accounting structure.
ENTERPRISE RISK MANAGEMENT	<ul style="list-style-type: none"> › Analysis of the half-year reports of the detection and updating of the main company risks within the ERM system. › Acquisition of information concerning the extension of the ERM process to all Group companies and with reference to methodological developments implemented by the ERM department.
INTERNAL CONTROL SYSTEM AS IT APPLIES TO THE FINANCIAL REPORTING PROCESS	<ul style="list-style-type: none"> › Analysis of the half-year reports (second half of 2019 and first half of 2020) drafted by the Manager in Charge of Financial Reporting with reference to the activities carried out and the checks of compliance with the entity's administrative and accounting procedures. › Analysis of the activities carried out during 2020 for the updating and continuous improvement of the internal control system in relation to the financial information process, with particular reference to significant projects conducted during the year, specifically: <ul style="list-style-type: none"> ✓ migration to the SAP4HANA CLOUD information system; ✓ update of the Scoping pursuant to Law 262/2005; ✓ revision and updating project of the reference documentation of the Manager in Charge of Financial Reporting, namely the Risk&Control Matrix and process flow chart. › Risk Assessment in preparation for the definition and implementation of a Tax Control Framework.
INDEPENDENT AUDIT	<ul style="list-style-type: none"> › Analysis of issues pertaining to the 2020 half-year and 2019 annual financial reports, with reference both to the auditing activities and to the checks carried out by the auditing team in relation to the internal control system with respect to the financial information process.
Legislative Decree 231 of 2001	<ul style="list-style-type: none"> › Acquisition of the information concerning the verification and control activities conducted by the Supervisory Body pursuant to Legislative Decree 231/2001 and the results thereof, with reference to the second half of 2019 and the first half of 2020. › Exchange of information and analyses of matters associated with a report received by the Cerved SB as the "Alternative Manager" in accordance with the procedures for managing the whistleblowing system implemented by the Cerved Group.
ESG	<ul style="list-style-type: none"> › Analysis of the ongoing activities/projects by the Company and the Group with reference to ESG matters › Acquisition of periodic updates with reference to: <ul style="list-style-type: none"> ✓ The definition of the sustainability strategy of Cerved; ✓ The update of the materiality matrix; ✓ The definition of quantitative ESG targets.
MANAGEMENT OF THE HEALTH EMERGENCY	<ul style="list-style-type: none"> › Acquisition of information regarding the management of the COVID-19 health emergency by Cerved and the Cerved Group, with a focus on: <ul style="list-style-type: none"> ✓ Security measures adopted to prevent contagion; ✓ Contagion prevention protocol and security plan.



Since the end of the Year, the Sustainability, Risk and Control Committee has already met 4 times, on 25 January, 4 February, 3 and 16 March 2021. In these latter meetings, the Sustainability, Risk and Control Committee analysed:

- › the progress of the auditing of the annual and consolidated financial statements,
- › the results of the checks carried out by the Supervisory Body pursuant to Legislative Decree 231/2001 during the second half of 2020,
- › the results of the impairment test conducted by the Company,
- › the preparation of the Non-Financial Declaration, together with analysis of the main new features with respect to said document.

In particular, during its meeting on 16 March 2021, the Sustainability, Risk and Control Committee obtained the report on the Internal Audit activities carried out in the second half of 2020 and the action plan for 2021.

The Sustainability, Risk and Control Committee has already defined the complete planning of the meetings for 2021, which envisages 13 meetings of the Committee during the year (including the above 4 meetings).

In accordance with its regulation, the Sustainability, Risk and Control Committee shall have the financial resources necessary to pay the fees of independent consultants or other experts and to perform the tasks assigned to it. The Sustainability, Risk and Control Committee budget for 2020, as approved by the Board of Directors in its meeting of 26 February 2020, amounted to Euro 50,000.

In accordance with the 2018 Corporate Governance Code, the Sustainability, Risk and Control Committee shall have the right to access the information and company departments necessary to perform its tasks and may use external consultants. The Sustainability, Risk and Control Committee used external consultants during the Year for certain in-depth analyses requested by the Committee, and therefore an amount of Euro 32,000.00 of the allotted budget of Euro 50,000.00 has been used.

10. Related party committee

COMPOSITION OF THE RELATED PARTY COMMITTEE

The Related Party Committee was established on 19 April 2019, in accordance with the Related Party Regulation and Related Party Procedure. Specifically, the Related Party Committee comprises:

- Andrea Casalini (Chairman - Independent Director);
- Umberto Carlo Maria Nicodano (Non-executive, non-independent Director);
- Mario Francesco Pitto (Independent Director);
- Alessandra Stabilini (Independent Director).

The majority of the committee is composed of independent directors. The Chairman was selected among them. The term of office of the members of the Related Party Committee will expire with that of the Board of Directors.

As provided for in the Related Party Regulation, in the case of more significant transactions, the Committee will only be composed of Independent Directors.

Lastly, it should be noted that the Issuer plans to update the Related Party Procedure, in compliance with the Related Party Regulation, by the end of June.

FUNCTIONS ASSIGNED TO THE RELATED PARTY COMMITTEE

The Related Party Committee performs the duties and functions assigned to it by the Related Party Regulation, the Related Party Procedure and the periodically applicable regulations aimed at guaranteeing the transparency and substantial and procedural fairness of the related party transactions of the Company and compliance with the principles set out in Article 2391-bis of the Italian Civil Code.

The Related Party Committee operating rules were approved by the Board of Directors on 13 July 2016.

During the Year, the Related Party Committee met 6 times; minutes were regularly kept for all the said meetings. Each meeting had an average duration of approximately 1 hour and 23 minutes. Reference should be made to Table 2 (“Structure of the Board of Directors”) attached to this Report for information about the attendance percentage of each member of the Related Party Committee in the above meetings.

With respect to specific items on the agenda, the Chairman of the Board of Directors, the Chairman of the Board of Statutory Auditors and other statutory auditors, the Chief Financial Officer, the General Counsel and the Human Resources Director were invited to attend some of the meetings mentioned above. During the meetings held during the Year, the Related Party Committee performed the activities under its jurisdiction and, specifically, discussed and resolved, inter alia, on the matters listed below, expressing its opinion to the Board of Directors:

- › Keplero Project: (i) continued analysis of the offers received in relation to the two strategic options; (ii) update by the Credit Suisse Financial Advisor;
- › Update relating to the Keplero Project with reference to the holdings of the minority shareholders in Cerved Credit Management Group S.r.l.;
- › Assessment of the estimate of the value of the put and call options provided for in the shareholders’ agreement signed on 28 April 2016, and subsequently amended on 13 November 2017 and 4 June 2019, between the Company and Messrs Andrea Mignanelli and Michele Cermele with regard to their shareholdings in Cerved Credit Management Group S.r.l.;
- › The Report from the Company’s Related Party Committee for 2019; 2020 budget;
- › Assessment of the put and call options provided for in the shareholders’ agreement signed on 28 April 2016, and subsequently amended on 13 November 2017 and 4 June 2019, between the Company and Messrs Andrea Mignanelli and Michele Cermele with regard to their shareholdings in Cerved Credit Management Group S.r.l.;



- › Termination of the employment relationship with a key manager;
- › Shareholders' agreement signed on 28 April 2016, and subsequently amended on 13 November 2017 and 4 June 2019, between the Company and Messrs Andrea Mignanelli and Michele Cermele: exercising of the put option by Messrs Andrea Mignanelli and Michele Cermele;
- › Analysis of any regulatory amendments to the long-term incentive plans in force.

Since the end of the Year and up to the date of this Report, the Related Party Committee has met 3 times, on 26 January, 10 February and 23 March 2021.

In accordance with its regulation, the Related Party Committee shall have the financial resources necessary to pay the fees of independent consultants or other experts and to perform the tasks assigned to it. The Related Party Committee budget for the Year, as approved by the Board of Directors in its meeting of 13 March 2020, amounts to Euro 50,000.

In accordance with the 2018 Corporate Governance Code, the Related Party Committee shall have the right to access the information and company departments necessary to perform its tasks and may use external consultants. The Related Party Committee used leading law firms and law experts as independent consultants during the Year.

RELATED PARTY COMMITTEE FOR KEPLERO PROJECT

In addition to the above, on 29 October 2019, the Board of Directors of the Company resolved to involve the Related Parties Committee in the process for the evaluation of the credit management division of the subsidiary Cerved Credit Management Group S.r.l. The Company decided to adopt such an initiative to oversee the management and development of the process under review, given the potential interest in the transaction, pursuant to Article 2391 of the Italian Civil Code, of the Chief Executive Officer, Andrea Mignanelli, as the holder of a 2.14% interest in Cerved Credit Management Group S.r.l., which is also covered by a shareholder agreement with the Company, containing tag-along and drag-along clauses and put and call options.

Accordingly, the composition of the Related Parties Committee was integrated including Fabio Cerchiai, in addition to the above four components. Consequently:

- Andrea Casalini (Chairman - Independent Director);
- Umberto Carlo Maria Nicodano (Non-executive, non-independent Director);
- Mario Francesco Pitto (Independent Director);
- Alessandra Stabilini (Independent Director);
- Fabio Cerchiai (Independent Director - Lead Independent Director).

During the Year, the Related Party Committee for the Keplero Project met once; the minutes were regularly kept for the said meeting. The meeting lasted for 45 minutes. Reference should be made to Table 2 ("Structure of the Board of Directors") attached to this Report for information about the attendance percentage of each member of the Related Party Committee for Keplero Project in the above meetings.

With respect to specific items on the agenda, the Chairman of the Board of Directors, the Chief Executive Officer, the Chairman of the Board of Statutory Auditors and other statutory auditors, the General Counsel and external consultants were invited to attend the meeting mentioned above.

The Related Party Committee for Keplero project used leading law firms and independent consultants during the Year.

11. Internal control and risk management system

INTRODUCTION

The Internal Control and Risk Management System of Cerved and of the Cerved Group consists of a set of rules, procedures and organisational structures aimed at ensuring effective and efficient identification, measurement, management and monitoring of the main risks, so as to contribute to the sustainable success of the Company.

The Board of Directors, with the support of the Sustainability, Risk and Control Committee, defines the guidelines of the Internal Control and Risk Management System, in line with the Company's strategies and assesses, at least one a year, the adequacy of the said system with respect to the characteristics of the Company and the risk profile assumed, as well as its effectiveness.

The Issuer, in order to make the Cerved Group's risk governance consistent with best corporate governance practices and taking into account the powers regarding risk management and internal control specified in the 2018 Corporate Governance Code, put in place a process to identify, measure, manage and monitor its own business risks called "Enterprise Risk Management" (the "**ERM Process**").

The ERM process implemented at Group level, with particular specialisations within the Subsidiaries, envisages the following activities (on a half-year basis):

- › identification and assessment of the Group's main risks;
- › identification and updating of the intervention measures applied to manage the main risks; and
- › identification and monitoring of the implementation time frames for any improvement measures.



The ERM Department Manager reported the results of the risk monitoring and related analyses relating to 2019 at the Board of Directors meeting held on 9 March 2020.

During the Year, the Group worked on further optimising the existing Enterprise Risk Management model (with the associated methodology) through the following main actions:

- › application of quantitative criteria for risk assessment, by applying different methods depending on the type of risk;
- › analysis of the risks of the new business initiatives undertaken by Cerved and the Group companies.

Moreover, aware of the fact that the reinforcement and consolidation of the Internal Control and Risk Management System are built on the modus operandi of all the Group's staff and management, Cerved has decided to continue with the initiative aimed at raising ever greater awareness of the Internal Control and Risk Management System (Awareness Training), with the gradual involvement of all company stakeholders.

Moreover, as part of its own activity, the Company Board of Directors has defined the nature and level of risk compatible with its strategic objectives, including in its own assessments all risks that can assume importance in view of the medium-long term sustainability of Company activity.

With reference to 2019, on 9 March 2020, the Board of Directors found, on the basis of the report on the activity of the Sustainability, Risk and Control Committee, after consulting with the Board of Statutory Auditors and the Risk and Control Director (who, during the Year, coordinated with all the participating business functions, through a constant and adequate flow of information), that the Company's internal control and risk management system was effective, stating that it adequately matched the specific characteristics of the Company and its risk profile.

During the same meeting, the Board of Directors approved the 2020 work plan prepared by the Internal Audit Manager, following the prior investigation by the Sustainability, Risk and Control Committee and with the input of the Board of Statutory Auditors and the Director in charge of the Internal Control and Risk Management System.

Subsequently, on 24 July 2020 and after the half-year report of the Sustainability, Risk and Control Committee on the activities performed by said Committee during the first half of 2020, the Board of Directors found that the internal control and risk management system was substantially adequate and effective in terms of the characteristics of the Company.

Furthermore, on 25 March 2021 and after the information given by the Sustainability, Risk and Control Committee on the activities performed, the Company Board of Directors found that the internal control and risk management system was substantially adequate and effective in terms of the characteristics of the Company and its risk profile during the Year.

Lastly, in its meeting on 23 March 2021, the Board of Directors approved the 2021 work plan prepared by the Internal Audit department, following the prior investigation by the Sustainability, Risk and Control Committee and with the input of the Board of Statutory Auditors and the Risk and Control Director.

► Main characteristics of the existing internal control and risk management system as it applies to the financial reporting process

The Internal Control and Risk Management System as it applies to the Cerved Group's financial reporting process, is designed to ensure the credibility, accuracy, reliability and timeliness of financial information.

The Manager in charge of Financial Reporting established a regulation that sets the methodology applied and the related roles and responsibilities vis-à-vis the definition, implementation, monitoring and updating of the Internal Control and Risk Management System over time related to the financial reporting process and the assessment of its adequacy and effectiveness.

The adopted control model is broken down into the following activities: a) identification and assessment of financial reporting risks; b) identification of controls carried out in response to the identified risks and c) assessment of the controls carried out on the identified risks.

a) Identification and assessment of financial reporting risks

The Group's scope and significant processes in terms of their potential impact on financial reporting were identified based on the Cerved Group's consolidated financial statements, using quantitative and qualitative parameters consisting of:

- › quantitative threshold values, against which both the figures of the consolidated financial statements and the corresponding contribution of the subsidiaries to the Cerved Group could be measured; and
- › qualitative assessments, based on the knowledge of the Company's actual situation and other specific risk factors inherent in its administrative-accounting processes.

In November 2019, the definition of the corporate scope was completed, enabling the identification of the group companies and the significant processes in terms of potential impact on financial reporting. Quantitative and qualitative parameters were used to carry out this activity; specifically:

- › quantitative threshold values, against which both the figures of the consolidated financial statements and the corresponding contribution of the subsidiaries to the Cerved Group could be measured; and
- › qualitative assessments, based on the knowledge of the Company's actual situation and other specific risk factors inherent in its administrative-accounting processes.

Within the identified companies, the material financial statements captions were selected according to the parameters and criteria provided for within the methodology for defining the company scope and the business processes feeding these captions, thus defining a company - relevant processes matrix.

The above stage, also known as administrative-accounting risk assessment, makes it possible to identify the risks inherent in financial reporting and is performed under the supervision of the Manager in charge of Financial Reporting. This process includes identifying the objectives that the system intends to achieve to ensure a true and fair view. These objectives consist of the financial statements' "assertions" (completeness, accuracy, existence and occurrence, accrual, meas-



urement/recognition, rights and obligations, presentation and disclosures) and the control objectives (such as, for example, the authorisation for executed transactions, the documentability and traceability of transactions, etc.). Risk assessment focuses on the areas of the financial statements that showed potential impacts on financial reporting in terms of achieving control objectives.

b) Identification of controls vis-à-vis the risks identified

The identification of the controls necessary to mitigate the risks identified in the previous phase takes into account the control objectives associated with financial reporting. Specifically, the financial statements accounts classified as significant are linked with the underlying business processes so as to identify controls capable of meeting the objectives of the Internal Control and Risk Management System for financial reporting.

The objectives and controls necessary to mitigate risks are explained and formalised (new for companies that fell within the relevant scope during the Year), and recognised in the Group's administrative and accounting processes, within the risk/control matrix.

c) Assessment of the controls vis-à-vis the risks identified

The Internal Control and Risk Management System related to financial reporting is assessed at least once every six months in order to ensure adequate accounting information in the preparation of the annual separate and consolidated financial statements and the condensed interim consolidated financial statements.

The controls identified are tested for adequacy and effective operation through specific monitoring activities performed by the Manager in charge of Financial Reporting, which were aimed at checking:

- › the design and implementation of the activities and the existing controls, i.e., the ability of the described control and its features to deliver an adequate risk coverage; and
- › the operational effectiveness of the activities and existing controls, i.e., whether the control operated systematically over a predefined time period.

Every six months, the Manager in charge of Financial Reporting prepares a report summarising the results of the assessment of controls versus the previously identified risks, based on the results of the monitoring activities carried out. Control assessment can result in the definition of corrective actions or improvement plans with regard to any identified critical areas. The Executive Summary thus prepared is communicated to the Board of Statutory Auditors, the Sustainability, Risk and Control Committee and the Board of Directors.

► Roles and functions involved

The Manager in charge of Financial Reporting works in coordination with the Company's departments, the departments of the Subsidiaries included in the consolidation scope and the corporate governance bodies, in order to provide and receive information about the performance of activities that have an impact on the Cerved Group's economic, equity or financial position and results of operations. All Group company's departments (i.e., belonging to the Company or the Subsidiaries included in the consolidation scope) and the corporate governance bodies, such as the Board of Directors, the Board of Statutory Auditors, the Sustainability, Risk

and Control Committee, the Supervisory Body, the independent auditors, the institutional bodies that communicate with external parties and the Internal Audit department, are responsible for interacting with the Manager in charge of Financial Reporting in order to provide information and potentially report events that could cause significant changes in the processes, if such changes could have an impact on the adequacy or actual operation of the existing administrative-accounting procedures, as defined in the Manager in charge of Financial Reporting regulation.

11.1 DIRECTOR IN CHARGE OF THE INTERNAL CONTROL AND RISK MANAGEMENT SYSTEM

In its meeting of 19 April 2019, the Board of Directors appointed the Chief Executive Officer, Andrea Mignanelli, as the Risk and Control Director.

The Risk and Control Director in charge of the Internal Control and Risk Management System:

- a) identified the main business risks, taking into account the characteristics of the activities carried out by the Issuer and its Subsidiaries and periodically submitted the results to the Board of Directors;
- b) implemented the guidelines defined by the Board of Directors, handling the design, implementation and management of the Internal Control and Risk Management System and constantly checks its adequacy and effectiveness;
- c) updated the system in response to changes in operating conditions and the legislative and regulatory framework;
- d) requested the Internal Audit department to audit specific operational areas and check compliance with internal rules and procedures in the performance of company transactions, while reporting on this to the Chairman of the Board of Directors, the Chairman of the Sustainability, Risk and Control Committee and the Chairman of the Board of Statutory Auditors;
- e) promptly reported to the Sustainability, Risk and Control Committee (or the Board of Directors) on any problems or critical issues encountered as part of his activity or of which he became otherwise aware, so that the Sustainability, Risk and Control Committee (or the Board of Directors) could take appropriate action.

11.2 INTERNAL AUDIT MANAGER

In its meeting of 31 March 2014, the Board of Directors, subject to the favourable opinion of the Sustainability, Risk and Control Committee (formerly the Risk and Control Committee) and after hearing the Board of Statutory Auditors, appointed Orazio Mardente Internal Audit Manager pursuant to the 2018 Corporate Governance Code and effective from the Listing Date. To ensure its independence, the Internal Audit function is not responsible for any operating unit and reports directly to the Board of Directors. The Internal Audit department reports to the Board of Directors, the Sustainability, Risk and Control Committee, the Risk and Control Director and the Board of Statutory Auditors, who are informed, through periodic executive summaries, of the results of the activities carried out.

The Internal Audit department is an independent and objective assurance activity, whose purpose is to perform ongoing audits of the effectiveness and efficiency of the internal control and risk management system and its organisation. It assists

the organisation in pursuit of its own objectives through a systematic professional approach, which generates added value by being aimed at permitting assessment of the adequacy of the control processes, the risk management and corporate governance management processes and their effective performance.

On 9 March 2020, the Board of Directors, upon proposal of the Risk and Control Director, subject to the favourable opinion of the Sustainability, Risk and Control Committee and after hearing the Board of Statutory Auditors, set the Internal Audit manager's remuneration in line with the Company's policies and set at Euro 50,000.00 the annual budget of the Internal Audit department to carry out its functions and ensure its independence.

Each of the board of directors of the Subsidiaries assigned the same Internal Audit engagement to Cerved's Internal Audit department through a specific resolution.

In performing the activities assigned to it, the Internal Audit department must guarantee, in addition to a conduct that is ethical and compliant with the principles of the Code of Ethics for internal auditors (integrity, objectivity, confidentiality and competence), compliance with international standards for the practice of internal auditors and other applicable best practices or codes (including the Corporate Governance Code) that ensure the department's suitability and quality. In performing its activities, the Internal Audit department may have unfettered access to the information and Company's departments necessary for the performance of its duties, and may rely on the support of external consultants, in accordance with the terms determined by the Board of Directors.

The Internal Audit department is responsible for preparing a half-year report providing adequate information about its activities, the manners by which risk management is carried out and compliance with defined risk mitigation plans. These half-yearly reports shall contain an assessment of the suitability of the Internal Control and Risk Management System.

The Internal Audit Manager reports to the Sustainability, Risk and Control Committee, the Board of Statutory Auditors and the Risk and Control Director, who are informed, through periodic executive summaries, of the results of the activities carried out. The Sustainability, Risk and Control Committee is responsible for monitoring the autonomy, adequacy, effectiveness and efficiency of the Internal Audit department.

The Internal Audit department assesses the adequacy of the Company's information systems and the reliability of the available information in light of the complexity of the operating context and the size and geographic footprint of the Company and checks the adequacy of the organisational oversights adopted by the Company for the physical, logistic and organisational security of the Company's information system. The Internal Audit department performs independent and objective assurance and consulting activities aimed at providing, through a systematic and professional approach, an independent assessment of the Company's governance, risk management and control processes. In addition to the above responsibilities, the Internal Audit department also provides support to other players of the Risk and Control System who monitor compliance and risk management issues, in order to facilitate compliance with the law and monitor the Company's exposure and vulnerability to risks.

Specifically, pursuant to the 2018 Corporate Governance Code, in addition to the above, the Internal Audit Manager:

⁸ Except for the following companies: Cerved Master Services S.p.A. (which outsourced the Internal Audit function), Cerved Credit Management Greece SA, CPS Single Member SA, CPS SA, ReCollection S.r.l.

- a) checks, on an ongoing basis and based on specific needs, while complying with international standards, the operation and the suitability of the Risk and Control System, through an audit plan approved by the Board of Directors, applying a structured process that analyses and defines the priorities of the main risks;
- b) has direct access to all information useful to perform his duties;
- c) prepares periodic reports which provide adequate information about his activities, the manners by which risk management is carried out and compliance with defined risk mitigation plans. These periodic reports contain an assessment of the suitability of the Internal Control and Risk Management System;
- d) promptly prepares reports on particularly significant events also based on the request by the supervisory body;
- e) sends the reports in points c) and d) to the chairman of the Board of Statutory Auditors, the chairman of the Sustainability, Risk and Control Committee and the Board of Directors and the Risk and Control Director, except in cases where these reports specifically concern the activities of those parties;
- f) checks, as part of the audit plan, the reliability of the information systems, including the accounting systems.

During the Year, the Internal Audit Manager:

- › performed the audits set out in the plan approved for the Year, reporting on the outcome of the activities carried out;
- › performed specific activities (special tasks), based on the requests or recommendations of the Group's management;
- › carried out the assessment activities, either directly or through the support of specialised external providers, of the companies acquired during the Year, identifying the main risks/protections existing in order to define the Audit Plan and support the companies in defining the structure of the internal control and risk management system;
- › carried out the activities related to Law 262 of 28 December 2005 (the so-called "Law on Savings") and set out in the Plan of the Manager in charge of Financial Reporting, checking, as part of the processes connected to companies relevant in qualitative and quantitative terms (as shown by the scoping), through testing and specific audit activities, the operating effectiveness of the controls over the accounting administrative risks and monitoring the progress of the implementation of improvement actions. In this regard, it is worth noting that, starting from January 2021, in view to strengthen the internal control system on financial reporting, the Company has decided to create a new function entrusted with the management of the Compliance pursuant to the Law 262 of 28 December 2005 (the Internal Control over Financial Reporting function), which directly reports to the Manager in charge of Financial Reporting. More specifically, said function, shall ensure that the Control Model on financial information is preserved, complied with and updated. Furthermore, it shall support the Manager in charge of Financial Reporting in carrying out its activities and with reference to the annual certification of the financial statements process. The creation of such function addresses the Company's will to strengthen the second-level control activities. The Internal Audit department has cooperated with the new function since its creation in view to ensure a proper hand-over process and establish, from the

⁹ The Manager in charge of Financial Reporting avails itself of the Internal Audit department to perform checks over the operation of internal controls over financial reporting



beginning, a proactive and cooperative dialogue between the two control functions;

- › cooperated with the Enterprise Risk Management function, management and departments tasked with monitoring risks and the adequacy of the controls with reference to the activities concerning Enterprise Risk Management, as regards the analysis, monitoring and assessment of the main business risks;
- › coordinated the preliminary investigation activities and checks related to the reports received through the whistleblowing system;
- › assisted the SB, including of other Cerved Group's companies, with the performance of specific audits, periodic checks and analyses of the evidence from SB information flows;
- › provided specialised advice on internal controls for setting up and implementing the organisational model pursuant to Legislative Decree 231/01 - Administrative Liability of the entities of Cerved Group companies;
- › assisted Cerved's personnel with the constant alignment of the Organisational Models of the Group companies with the corporate governance standards of the Cerved Group, based on the findings of the specific audits carried out for Cerved or at Group level;
- › assisted/supported the operating and compliance departments of Group companies with managing the ISO 9001 quality system and the ISO 27001 certified information security management system;
- › periodically assessed the suitability of the internal control and risk management system.

Moreover, the head of Internal Audit has kept the department's processes and documentation in line with the International Standards for the Professional Practice of Internal Auditing issued by the Institute of Internal Auditors (IIA). The assessment of compliance with the standards for the operations of the department was "generally compliant", i.e. the best judgement on the assessment scale adopted for Quality Assurance Review purposes.

11.3. ENTERPRISE RISK MANAGEMENT DEPARTMENT

Cerved's ERM model, in line with the reference models and existing international best practices (COSO Framework), provides for an integrated, cross-cutting and dynamic risk assessment that enhances existing management systems (e.g. SO 27001) and is subject to possible updates to ensure an effective risk management model is constantly available.

As part of the second-level control activities, the ERM department:

- › defines and updates Cerved's ERM Model, through specialised methodological support in identifying and assessing risks;
- › coordinates the overall ERM process;
- › supports the risk owners to define the risk management strategies identified;
- › draws up the periodic reports.

The risk mapping is updated periodically, every six months. The periodic reporting guarantees, at the various company levels, the availability and representation of information regarding the relevant risk management and monitoring activities.

11.4. ORGANISATIONAL MODEL AS PER ITALIAN LEGISLATIVE DECREE 231/01

The Organisational Model pursuant to Legislative Decree 231/2001 (inspired by the “Guidelines for the design of organisational, management and control models pursuant to Legislative decree 231/01” approved by Confindustria on 7 March 2002 and last updated in 2014) was adopted by the Board of Directors on 13 March 2015 (subsequently updated through a resolution of the Board of Directors on 16 March 2016) and updated most recently through a board resolution dated 18 March 2021.

Cerved’s 231 Model is comprised of:

- › a general section, whose purpose is to explain the rationale of Legislative Decree 231/2001, the salient points concerning the regulation of the Supervisory Body and the main protocols of which the Issuer’s 231 Model is comprised; and
- › several special parts, whose purpose is to list the crimes that could potentially occur within the Company and the related sensitive activities, illustrate some of the potential manners by which unlawful conduct could occur and list the rules of conduct that should be complied with and the pre-emptive measures that should be implemented.

The general part of the 231 Model is available on the Company’s website <https://company.cerved.com/it/modello-organizzativo-dlgs-23101>, in Italian and English.

The 231 Model is completed by the following documents, which are an integral and substantial part thereof:

- i. Cerved Group’s Code of Ethics was updated during the Year (23 December 2019) with the provision reflecting the principles related to the use of artificial intelligence solutions.
- ii. the disciplinary system;
- iii. the findings of the risk assessment process; and
- iv. the list of offences.

The types of crimes that the 231 Model is designed to prevent, based on the outcome of the risk mapping process carried out by the Issuer for Model adoption purposes, include the following:

- › crimes committed in transactions with the Public Administration;
- › computer crimes and unlawful processing of data;
- › offences involving organised crime;
- › corporate crimes, including bribery among private individuals;
- › counterfeiting of money, credit cards, revenue stamps and instruments or signs for identification;
- › crimes against industry and commerce;
- › market abuse crimes;
- › receiving stolen property, money laundering and recycling of assets obtained through crime, including self-money laundering;
- › inducement to refrain from providing testimony or providing false testimony to the judicial authorities;
- › crimes involving copyright violations;
- › negligent manslaughter and negligent serious and extremely serious injury caused by violation of accident prevention and workplace health and safety reg-



- ulations laws;
- › environmental crimes;
- › employment of illegally staying third-country nationals;
- › transnational crimes; and
- › tax offences.

The 231 Model also adopts the provisions pursuant to Law no. 179 of 30 November 2017 on whistle-blowing, along with those laid down in the document “Consolidated guidelines for the drafting of organisational models and the activities of the Supervisory Body and auditing considerations of Legislative Decree 231/2001” drafted by the supervisory body regulations multidisciplinary Working Group (representatives of the Consiglio Nazionale dei Dottori Commercialisti e degli esperti contabili, Associazione Bancaria Italiana, Consiglio Nazionale Forense and Confindustria).

The Board of Directors of Cerved decided to adopt this system, including the specific “Procedure for the use and management of the system for reporting breaches”, on 29 October 2018 and, gradually, all the other Group companies adopted the same system through a specific board resolution.

In order to ensure the greatest possible visibility and accessibility to the said system, it has been made available, in Italian and English, on the Company’s website <https://company.cerved.com/it/sistema-di-segnalazione>.

The SB is responsible for overseeing the operation of and compliance with the 231 Model and the Code of Ethics. In order to ensure full compliance with Legislative Decree 231/2001, the SB performs its functions fully independently, acting without any hierarchical link to other company departments, top management and the Board of Directors, to which it reports about the outcome of its activities. The SB operates in accordance with the purposes assigned to it by the law and focuses its activities on the pursuit of those purposes.

In accordance with the 231 Model, the SB at Cerved is composed of three members:

- › an (external) Chairman appointed on 30 July 2019;
- › two members (one external) appointed on 5 March 2019.

The SB comprises Andrea Polizzi, the Chairman, Orazio Mardente (Internal Audit Manager) and Emiliano Nitti (external member). For the entire term of office and until the approval of the draft financial statements on 31 December 2020.

In the course of the meeting held on 25 March 2021 the Board of Directors has appointed the new SB, confirming its preceding members.

The Cerved SB met 5 times during 2020 and took part in 4 ad hoc meetings, during which the company provided updates regarding the oversights implemented for managing the COVID-19 health emergency.

11.5. INDEPENDENT AUDITORS

On 25 March 2014, pursuant to Articles 13 and 17 of Legislative Decree no. 39 of 27 January 2010, the Issuer’s Shareholders called in an ordinary meeting, based on a reasoned recommendation by the Board of Statutory Auditors, adopted a resolution, effective as of the filing of the application to list the Company’s shares on the Mercato Telematico Azionario, assigning the engagement to perform the independent audit for years from 2014 to 2022 to PricewaterhouseCoopers S.p.A..

On 22 February 2018, the Company's Board of Directors approved a procedure for assigning tasks to auditing firms within the context of the Cerved Group in order to uphold the independence requirement of the party tasked with the legal auditing of the accounts, to provide instructions concerning the assessment process for the conferral of certain types of tasks (other than mandatory assignments) by the Company and its Subsidiaries or parent companies on the firm tasked with the statutory audit of the accounts and its network.

11.6. MANAGER IN CHARGE OF FINANCIAL REPORTING AND OTHER CORPORATE ROLES AND FUNCTIONS

Article 19.4 of the Articles of Association requires that the Manager in charge of Financial Reporting be appointed, based on the prior mandatory but not binding opinion of the Board of Statutory Auditors, from among parties who have a significant professional experience in the accounting, economic and financial field for at least 5 years and meet any other requirements determined by the Board of Directors and/or the relevant laws and regulations.

On 19 April 2019, upon a proposal by its Chairman and based on a favourable opinion of the Board of Statutory Auditors, as required by the provisions of Article 154-bis of the Consolidated Law on Finance and consistent with the requirements of Article 19.4 of the Articles of Association, the Board of Directors appointed Francesca Perulli, the Issuer's Head of Control and Administration, who meets the above requirements, Manager in charge of Financial Reporting.

In accordance with current regulations, the Manager in charge of Financial Reporting is responsible for the following:

- › setting up appropriate administrative and accounting procedures for preparation of the separate and consolidated financial statements and any other financial communications;
- › issuing written declarations confirming that the deeds and notifications of the Company disseminated on the market and concerning accounting information, including interim documents, match the accounting documentation, books and records;
- › attesting, together with the Chief Executive Officer, in a special report issued in accordance with the CONSOB regulation, attached to the separate financial statements, to the condensed half-yearly and consolidated financial statements:
 - a. the adequacy and effective application of the procedures stated in point (i) above during the period to which the documents refer;
 - b. that the documents were drafted in accordance with the applicable international accounting standards recognised by the European Community, pursuant to regulation (EC) no. 1606/2002 of the European Parliament and of the Council of 19 July 2002;
 - c. that the documents are consistent with the data in the accounting books and accounting records;
 - d. that the documents are suitable for providing a true and accurate representation of the capital, economic and financial position of the Company and all the companies included in the consolidation;
 - e. for the separate and consolidated financial statements, that the management report contains a reliable analysis of performance and results, as well as the position of the company and all the companies included within the consolidation, together



with a description of the main risks and uncertainties to which they are exposed;

f. for the condensed half-yearly financial statements, that the interim management report contains a reliable analysis of the information referred to in paragraph 4 of Article 154-ter of the Consolidated Law on Finance.

Moreover, the Manager in charge of Financial Reporting is required to:

- › participate in meetings of the Company's Board of Directors when the economic/ financial data of the company feature on the agenda;
- › promptly inform the Chief Executive Officer, the Board of Directors, including through the Sustainability, Risk and Control Committee, of any aspects of significant relevance which he believes, where incorrect, must be reported in the statements envisaged in Article 154-bis of the Consolidated Law on Finance; and
- › report to the Board of Directors, the Sustainability, Risk and Control Committee and the Board of Statutory Auditors on the activities carried out every six months.

The Board of Directors of Cerved granted to the Manager in charge of Financial Reporting the powers and means necessary to perform the functions and the tasks assigned by the law, checking the adequacy thereof.

The Manager in charge of Financial Reporting:

- › shall identify the organisational and procedural solutions that are best suited to ensure the adequacy of the Internal Control and Risk Management System for financial reporting purposes;
- › shall operate within the scope of the spending authorisation provided by the Board of Directors of Cerved within the limits of the budget established for the performance of the activities required to carry out the tasks assigned and taking into account the amount deemed necessary;
- › shall be granted with full autonomy within the organisation and, for the purpose of performing the tasks assigned, may use the resources existing within the Company or at other companies included in the consolidation scope and of the support of external parties, within the limits of the approved budget or beyond the budget, provided he made an express request for the purpose of addressing specific and proven needs;
- › may interact with all of the Company's departments and shall have access to all information that may be relevant or necessary for the purpose of performing his duties, concerning both the Company and other companies included in the consolidation scope;
- › shall promptly bring to the attention of the Company's administrative and control bodies any significant weaknesses and irregularities detected from time to time, which, based on his prudent assessment, are unlikely to be corrected sufficiently in advance for the approval of the next half-year report or annual financial statements.

The Board of Directors shall also ensure that the Manager in charge of Financial Reporting is able to:

- › formalise specific Company's procedures, including through amendments or integrations to existing procedures, when the procedures make reference to or deal

with issues concerning the development of accounting and financial reports;

- › perform control activities regarding any Company procedure that could have an impact on the financial position or results of operations of the Company and the companies included in the consolidation scope;
- › recommend structural changes to internal control components that he deems to be inadequate or not functional to the purpose and, should the recommended changes not be implemented, the Manager in charge of Financial Reporting shall promptly inform the executive director, the Sustainability, Risk and Control Committee and the Board of Directors;
- › use the services, upon specific request to the Internal Audit Manager, of personnel belonging to the Company's Internal Audit department to perform audits of the operation and actual implementation of administrative and accounting procedures prepared and published at the Company and at the companies included in the consolidation scope.

Participation in the internal information flows that are relevant for accounting purposes is guaranteed through coordination with the Company's corporate departments, the departments of the Subsidiaries included in the consolidation scope, the administrative and control bodies (such as the Board of Directors and the Board of Statutory Auditors), the Sustainability, Risk and Control Committee and the Supervisory Body. Furthermore, the Manager in charge of Financial Reporting is assisted in the performance of certain obligations arising from the Law on Savings by the Internal Audit department. Specifically, assistance is required for the following activities:

- › assistance with corporate self-diagnosis of the Internal Control and Risk Management System;
- › monitoring, control, analysis and verification activities (process audits);
- › objective feedback on the adequacy of the controls implemented to monitor risks;
- › definition of a suitable information flow that supports the Manager in charge of Financial Reporting in monitoring his activities;
- › training regarding internal control issues.

11.7. COORDINATION AMONG THE PARTIES INVOLVED IN THE INTERNAL CONTROL AND RISK MANAGEMENT SYSTEM

Coordination among the parties involved in the Internal Control and Risk Management System is ensured by ongoing information flows between them, with a view to efficiency and best mutual integration.

As per the applicable regulation, the Risk and Control Director and the members of the Board of Statutory Auditors are invited to attend meetings of the Sustainability, Risk and Control Committee. Moreover, twice a year, he is invited to attend a meeting of the Supervisory Body, pursuant to Legislative Decree 231/2001.

Other parties that are not members of the Sustainability, Risk and Control Committee may be invited to attend committee meetings for the purpose of providing information and expressing opinions on issues within their jurisdiction with regard to certain aspects of the Risk and Control System, consistent with individual items on the meeting's agenda. The Internal Audit Manager also participates in the



12. Interests of directors and related party transactions

meetings of the Sustainability, Risk and Control Committee, acting as secretary.

On 28 May 2014, the Board of Directors adopted the Related Party Procedure in implementation of Article 2391-bis of the Italian Civil Code and the Related Party Regulation, subsequently amended with the approval of the Board of Directors on 21 December 2017 (see paragraph 10). The Related Party Procedure defines the rules that govern the approval and implementation of transactions with related parties executed by the Company, directly or through Subsidiaries, to ensure the transparency and substantive and procedural fairness of such transactions. It also covers the conditions for exclusion from application of said rules.

During the Year, no changes were made to the current Related Party Procedure.

The Company identifies its related parties based on the requirements set out in Annex 1 to the Related Party Regulation and established a special register for such parties. This register is managed by the Company's Corporate Affairs Department, which must update it at least once a year.

The Related Party Procedure is available on the Company's website <https://company.cerved.com>, in the *governance/documents and procedures/documents* section.

13. Statutory auditors' appointment

Pursuant to article 24.2 of the Articles of Association, standing and alternate auditors are appointed by the Shareholders in accordance with the gender parity regulations in effect at any given time, based on lists of candidates filed by the company's shareholders, in accordance with the statutory and regulatory requirements in force, in which candidates must be listed in sequential numerical order and their number must not be greater than the number of members to be appointed. Each list shall be comprised of two sections: one for the appointment of standing auditors and one for the appointment of alternate auditors. The first of the candidates in each section must be identified among the statutory auditors registered in the appropriate register pursuant to Article 2397 of the Italian Civil Code. Lists containing a number of candidates equal to or greater than three must include candidates from both genders, so that at least one of the candidates to the office of statutory auditor and at least one of the candidates to the post of alternate auditor listed on the list belongs to the least represented of the two genders.

The only parties that may submit lists of candidates are shareholders who, alone or together with other shareholders, hold shares representing at least 1% of the share capital that may be voted at the Ordinary Shareholders' Meeting (as set by Consob Resolution no. 44 of 29 January 2021, pursuant to Article 144-quater of the Issuers' Regulation)¹⁰. Each shareholder may file or participate in the filing of only one list and each candidate may be listed only on one slate, on penalty of becoming ineligible.

Declarations by which the candidates accept their nomination and attest, under their own responsibility, that there are no issues making them ineligible or incompatible and that they meet the requirements of current legislation for election to their respective offices shall be filed together with each list within the deadline required by the law in effect. Any list that does not comply with the requirements set forth above shall be deemed to have never been filed. The declarations must be accompanied by a curriculum vitae setting forth the personal and professional background of each candidate, which shall also include a list of the posts held by each candidate at other companies.

The presentation, filing and publication of the lists shall be governed by the provisions of laws and regulations in effect at any given time. Each voting right holder may vote only for one slate. The appointment of the statutory auditors shall be carried out as follows:

- a) a total of 2 standing auditors and 1 alternate auditor shall be drawn, in the sequential numerical order in which they are listed on the slate, from the list that received the highest number of votes;
- b) the remaining standing auditor, who shall serve as chairperson, and the other alternate auditor shall be elected, in the sequential numerical order in which they are listed on the slate, from the list that received the second highest num-

¹⁰ Article 24.2 of the Articles of Association states that "only shareholders who alone or together with other shareholders hold at least 2.5% of the share capital or a different investment percentage set by the laws or regulations in effect at any given time, are entitled to file slates of candidates".



ber of votes and is not in any way connected, directly or indirectly, with the shareholders who filed or voted for the list that received the highest number of votes. In the event that multiple minority lists receive the same number of votes, the eldest among the candidates for standing auditor and alternate auditor listed on each list shall be appointed;

c) if only one list is filed, the entire Board of Statutory Auditors shall be drawn from that slate, provided that it obtained a simple majority of the votes.

If the two standing auditors elected from the list that received the highest number of votes belong to the same gender, the remaining standing auditor shall belong to the other gender, by applying the replacement mechanisms provided for in article 13.9 of the Articles of Association.

If the applicable requirements of the laws and the Articles of Association can no longer be met, the statutory auditor shall be removed from office. If a standing auditor needs to be replaced, the vacancy shall be filled with the alternate auditor listed on the same list as the auditor being replaced or, should this not be possible, the minority auditor is replaced with the candidate listed next on the list to which the auditor that is being replaced belonged or, alternatively, the first candidate in the minority list that received the second highest number of votes.

This is without prejudice to the fact that the chairmanship of the Board of Statutory Auditors shall always be held by a minority statutory auditor and that the composition of the Board of Statutory Auditors shall comply with the gender parity regulations in effect at any given time.

When the shareholders are asked to appoint standing auditors and/or alternate auditors to fill vacancies on the Board of Statutory Auditors, it shall proceed as follows: when the statutory auditors that are being replaced were appointed from a majority slate, the appointment shall take place by relative majority of the votes without any slate-related restriction; when the standing auditors that are being replaced were appointed from a minority slate, the shareholders shall replace them by relative majority vote, selecting them, whenever possible, from the candidates listed on the list from which the auditor that is being replaced was elected, or the minority list that received the second highest number of votes.

If, for any reason, the implementation of these procedures does not allow the replacement of statutory auditors designated by minority shareholders, the shareholders shall proceed with a vote by relative majority, after the filing of candidates by shareholders who, alone or together with other shareholders, hold in the aggregate a number of voting shares equal at least to the percentage mentioned above with regard to the list filing procedure. However, checking the results of the this last voting are not included the votes of shareholders who, based on communications provided pursuant to legislation in effect, hold, directly, indirectly or jointly with other shareholders belonging to a shareholders' agreement that is significant pursuant to Article 122 of the Consolidated Law on Finance, the relative majority of the votes that may be cast at a shareholders' meeting and the shareholders who control, are controlled or are under joint control by them. The vacancy filling procedures of the Articles of Association described above shall always ensure compliance with current gender parity legislation. Statutory auditors may be re-elected. The Articles of Association do not require the appointment of more than one minority statutory auditor.

The ordinary session of the Shareholders' Meeting, held on 20 May 2020, in accordance with the foregoing, appointed the current members of the Board of Statutory Auditors for the three-year period 2020-2022, while also electing the Chairman of the Board of Statutory Auditors and determining the remuneration for each member.

14. Composition and activities of the board of statutory auditors

(pursuant to Article 123-bis, paragraph 2, letters d) and d-bis) of the Consolidated Law on Finance)

Pursuant to article 24.1 of the Articles of Association, the Shareholders shall appoint a Board of Statutory Auditors comprised of three standing auditors and determine its remuneration. The Shareholders also appoint two alternate auditors. The powers, obligations and term of office of the statutory auditors are those set forth by the law.

Persons who hold a number of positions greater than the limits on offices (pursuant to Article 144-terdecies of the Issuers' Regulation) or are affected by issues that make them ineligible or require their resignation or do not meet the integrity and professionalism requirements of current laws and regulations may not be elected or, if elected, shall be removed from office. For the purposes of Article 1, paragraph 2, letters b) and c), of Decree no. 162/2000, Article 24.1 of the Articles of Association states that subjects that are closely related to the Issuer's scope of activities include commercial law and tax law, business economics and corporate finance and the sectors related to the Issuer's area of activity.

During the ordinary Shareholders' Meeting, held on 20 May 2020, according to the terms and procedures laid down by the applicable legislation and Article 24 of the Articles of Association, two lists of candidates were submitted, as follows:

- 1) a list submitted jointly by a group of 13 institutional investors (List no. 1), holding a total of 15,179,554 Company shares of 7.77% of the Company's share capital; the slate, which included Antonella Bientinesi and Antonio Mele in the Standing and Alternate Auditors sections, respectively, obtained, at the time of appointment, a number of votes representing 33.514% of the voting capital;
- 2) a list (List no. 2) submitted by Aquilus Inflection Master Fund Limited (holder of a total of 3,163,130 Company shares, representing 1.62% of the Company's share capital); this slate, which included Gilberto Comi and Costanza Bonelli in the Standing Auditors section and Paolo Baruffi and Rossana Arioli in the Alternate Auditors section, respectively, obtained, at the time of appointment, a number of votes representing 65.620% of the voting capital.

The shareholders who submitted the lists declared that they had no relationships with the shareholders that own a controlling or relative majority stake, as defined by law and the Articles of Association, taking into account the relevant recommendations in Consob Communication no. DEM/9017893 of 26 February 2009.

In consideration of the foregoing, on 20 May 2020, the ordinary session of the Shareholders' Meeting therefore appointed Antonella Bientinesi as Chairman of



the Board of Statutory Auditors, Gilberto Comi and Costanza Bonelli as Standing Auditors and Paolo Baruffi and Antonio Mele as Alternate Auditors. Therefore, in compliance with the provisions of the 2018 Code, at least two fifths of the Standing and Alternate members of the Board of Statutory Auditors is made up of auditors of the less represented gender.

After the appointment, the Board of Statutory Auditors verified that its members satisfied the independence requirements laid down in Article 148, paragraph 3 of the Consolidated Law on Finance and by the 2018 Corporate Governance Code, as analysed and recorded by the Board of Statutory Auditors in the meeting held on 11 June 2020 (the positive results of which were reported during the Board meeting held on 14 June 2020 and disclosed to the market in a notice issued on the same date).

It should be noted that specific assessments have been carried out in relation to the satisfaction of the independence requirements by Mr. Gilberto Comi, as part of a legal consultancy relationship, concerning the protection of the receivables managed by the subsidiary Cerved Credit Management S.p.A. (as a servicer of securitisation vehicles) and performed in the interests of said vehicles, assigned to a different member of the professional association where said Mr. Comi is a partner.

These assessments gave a positive verdict and Mr. Comi was therefore considered independent in view of the marginal nature (i) of the fees deriving from said consultancy relationship with respect to the overall remuneration received by the professional association of which the Auditor, Mrr. Comi is a member for the overall activities carried out; and (ii) of the profit gained by Mr. Comi from said consultancy relationship as a member of the aforementioned professional association with respect to the overall remuneration received by the representative in question (in both cases indicatively below 0.5%).

During these checks, the independence was also assessed based on the quantitative parameters adopted in accordance with the 2018 Corporate Governance Code and shown in paragraph 4.6.

Further confirmation of the assessment was provided by the meeting of the Board of Statutory Auditors on 19 March 2021, which showed that the members of the Board of Statutory Auditors satisfy the independence requirements laid down in Article 148, paragraph 3 of the Consolidated Law on Finance and by the 2020 Corporate Governance Code, with said assessment also considering the quantitative and qualitative criteria adopted by the Board of Directors on 23 February 2021, as shown in paragraph 4.6 (the positive results of which were reported during the Board meeting held on 25 March 2021).

Furthermore, the Company requires that, every year, each statutory auditor confirm and/or update their curriculum vitae and confirm that they still meet the above independence requirements and applicable integrity and professionalism requirements.

During the year, the Board of Statutory Auditors met 16 times. Reference should be made to Table 3 (“Composition of the Board of Statutory Auditors”) attached hereto for information about the attendance percentage of each standing auditor to the above meetings and for additional details on the composition of the Board of Statutory Auditors. The meetings had an average duration of 2 hours and 8 minutes. For the year 2021, a total of 13 meetings were scheduled, four of which had already been held at the date of this Report.

Pursuant to principle 8.C.3. of the 2018 Corporate Governance Code, the Statutory Auditors’ remuneration is based on the requested commitment, relevance of the

position held, and the dimensions and sectors in which the Company operates.

The entire Board of Statutory Auditors of the Company is regularly invited to attend the meetings of the Company's Remuneration and Nomination Committee, the Sustainability, Risk and Control Committee and the Related Party Committee.

During the Year and within the European regulatory framework concerning statutory audits, the Board of Statutory Auditors monitored the engagements other than those related to the statutory audits that the Company or its subsidiaries assigned to the independent auditors of the Cerved Group or its network.

For the purposes of their office, all members of the Board of Statutory Auditors are domiciled at the Company's registered office and meet the integrity and professionalism requirements set out in Article 148 of the Consolidated Law on Finance and Decree 162/2000.

Specifically with regard to the professionalism requirement, the members of the Board of Statutory Auditors meet the requirements of Article 1.1 of Decree 162/2000, since they are registered with the register of Chartered Auditors and have performed statutory audits of financial statements for a period of more than three years. Specifically with regard to the integrity requirement, the members of the Board of Statutory Auditors meet the requirements of Article 2 of Decree 162/2000 since they have not been subject to prevention measures ordered by the judicial authorities pursuant to Law no. 1423/1956 or Law no. 575/1965, have not been convicted by final court decision for the offences and/or crimes referred to in Article 2.1, letter b) of Decree 162/2000 and were not ordered to serve one of the sentences required by the above Article 2.1, letter b) of Decree 162/2000.

SELF-ASSESSMENT OF THE BOARD OF STATUTORY AUDITORS

In accordance with the provisions of Rule Q.1.1 of the Rules of conduct of the board of statutory auditors of listed companies drafted by the Consiglio Nazionale Dottori Commercialisti e degli Esperti Contabili (Italian Accounting Profession), during the Year, the Board of Statutory Auditors of the Issuer conducted a self-assessment process aimed at collecting the opinions of members both as regards the functioning and composition of the board itself. The self-assessment was carried out with the involvement of an external consultant, Crisci & Partners S.r.l. The requirements of neutrality, objectivity, competence and independence have been acknowledged with respect to this company. The self-assessment was conducted based on questionnaires and individual interviews, held between 9 and 10 February 2021.

In the aforementioned self-assessment, the Board focused on the following purposes:

- › to analyse the correct and effective functioning of the body and the adequacy of its composition;
- › to assess essential compliance with the legislation and constantly evolving regulatory requirements;
- › to consolidate the relationships of cooperation and trust between the individual members themselves, between them and the Board of Directors and with the internal control functions; and
- › to confirm the active participation of individual members, checking that they are fully aware of the specific role held by each of them and the associated responsibilities.

The questionnaire and interviews used for the self-assessment focused on various areas concerning the composition and functioning of the Board of Statutory



Auditors. The main aspects subject to assessment concerned the adequacy of the following profiles:

- professionalism, in terms of knowledge, experience and skills, recognised with respect to the Board of Statutory Auditors as a whole;
- the composition and balancing of roles within the body;
- the management of the 2020 emergency;
- the conducting of meetings and the functioning of the body;
- the role of the Chairman.
- the On-boarding and Induction activities;
- cohesion and team spirit.

The self-assessment of Cerved Board of Statutory Auditors gave, inter alia, the following findings for the Year:

- Extremely positive judgements from all members of the Board regarding the functioning and the activities carried out in 2020. Although in a situation of emergency, such as that faced during the Year, the activities of the Board as a whole and its individual members were judged more than adequate.
- The composition of the Board, considering the renewal of two members, including the Chairman, and the introduction of a new auditor, is unanimously considered positive, as a whole, and adequate as regards the varied knowledge, skills and professional experience of its members.
- The diversity of age, tenure and gender are more than adequate. No adjustments are suggested for the composition of the next Board, in terms of the diversities represented in the current one.
- The attendance of members at the frequent meetings of the Board is very good. The Statutory Auditors' attendance of meetings of the Board of Directors and Internal Board Committee meetings is equally good.
- Again in 2020, the quality of the Board of Statutory Auditors' contribution to the meetings of the Committees was appreciated and acknowledged, specifically with respect to the Risk and Control Committee, in addition to the always careful balance in its role as Control Body and in the autonomy of its judgement.
- There is careful monitoring of compliance with the principles of good governance and with regard to extraordinary corporate transactions and other significant events.
- Accurate reports were submitted to the Board of Directors regarding any potentially critical situations and requests, always accepted, for corrective and appropriate measures;
- There was praise for the work in progress to develop the internal control system, with the initiatives, some organisational and process-related, undertaken by the Company.
- The findings noted improvements in the internal control system, which was developed during the year. The relationship with the financial management and the budget department was also considered to have improved.
- Similarly, some improvements were noted in the monitoring of subsidiaries and dialogue with their Boards of Statutory Auditors, with which contact and information exchange procedures have been established.

- › The same year also saw the definition of a new procedure regarding extraordinary transactions, which was assessed very positively by the Board.

The self-assessment of Cerved's Board of Statutory Auditors for the Year identified the following suggestions and recommendations, which may be summarised as follows:

- › Some of the suggestions highlighted the usefulness of Induction sessions on risk-related topics, above all those connected with cyber security.
- › One suggestion for improvement relates to the misalignment indicated, in terms of remuneration, between Directors and Auditors.

A brief curriculum vitae is provided below for each member of the Board of Statutory Auditors.

Antonella Bientinesi

She graduated with honours in economics and business administration. Registered with the Register of Chartered Accountants of Frosinone and Cassino since 1986 and the Register of Chartered Accountants of Rome since 1998.

In 1984, she worked with the Studio Adonnino-Ascoli in Rome, carrying out studies and research in tax matters. In 1985, she carried out auditing tasks with Reconta Touche Ross in Rome, gaining experience in auditing and accounting organisation. Between 1986 and 1990, she worked with the firm of Giovanni Battista Galli in Rome, handling both national and international physical problems connected with large companies. In 1991, she worked with the firm of Massimo Alderighi in Rome, chiefly handling company reorganisation operations, from the planning phase to actual implementation.

From 1992 until March 1999, she worked with the corresponding associated law firm of KPMG S.p.A., mainly on national and international physical problems connected with major groups operating in the industrial and services sectors.

Since 1999, she has been a partner of the Studio Legale Tributario associated with Ernst & Young. Since 2001, she has been the partner responsible for the Centre/South area in the 'Public' sector. Since May 2005, she has carried out her professional activities independently within the framework of the Studio Legale Tributario.

She is a member of the boards of statutory auditors of various companies, including ENAV S.p.A., Nuove Energie S.r.l. and Enel Global Trading S.p.A. (Enel Group) and Ala Assicurazioni S.p.A. (Sara Assicurazioni Group). She is currently standing auditor of the Issuer (Chairwoman) and of Unicredit S.p.A, Enel Energia S.p.A., Enel Green Power Metehara S.p.A., Enel Green Power Solar Ngonye S.p.A., ANAS S.p.A. and Acer Sede S.p.A.. She is also a member of the Board of Auditors of Fondo Ambiente Italiano.

Gilberto Comi

He is a partner of Carnelutti Studio Legale Associato. He is a member of the Order of Chartered Accountants and the College of Auditors. He cooperates with the tax department at Studio Carnelutti, where he works as a consultant for the bank's top management, industrial and commercial companies for issues relating to corporate and tax law. He also works as a consultant for corporate restructuring operations, mergers and acquisitions at both national and international level. He provides assistance to clients regarding trusts.



He is also a member of the Accountants Global Network (AGN) International.

He is currently a Standing Auditor at the Issuer and Chairman of the Board of Statutory Auditors of Arconvert S.p.A., Conbipel S.p.A., Conbipel C&D S.r.l., Fedrigoni S.p.A., Hotel Residence Club S.p.A., LI.T.E.R. S.r.l. and River Tre S.p.A. in Liquidazione. He is a Standing Auditor and Statutory Auditor at Cray Valley S.r.l., Do & Co Italy S.r.l., Decox S.p.A., Feida S.p.A., Konelco S.p.A., Mak Mart Italia S.p.A., Poli.Design S.C.R.L. and Sea-boats Srl. In addition, he is a member of the Supervisory Body of Arepo Fiduciaria S.r.l., Eurotec S.r.l. and Itw Construction Products Italy S.r.l. He is also a Standing Auditor at Arepo Fiduciaria S.r.l., Fastweb Air S.r.l., Ferroli S.p.A. and Swisscom Italia S.r.l. He is an Alternate Auditor at Consorzio E.S.E., Nexans Italia S.p.A., Nexans Intercabolo S.p.A. and Pierre Fabre Pharma S.r.l. Lastly, he is the Chairman of the Board of Directors of Istituto Mobiliare Lombardo S.p.A., a Director at Manifattura del Seveso S.p.A. and Sertem S.r.l. and the Sole Director of Opus S.r.l.

Costanza Bonelli

She graduated with honours in economics and business administration from the Luigi Bocconi University.

Since 1997, she has been registered with the Milan Register of Chartered Accountants (no. 4675) and became a member of the Register of Chartered Auditors (no. 91050) in 1999.

Since September 1998, she has owned her own business, providing accounting and ordinary tax assistance and specialised consultancy with regard to the corporate and contractual aspects of extraordinary transactions and issues of international taxation, mainly to natural persons and entities (companies and non-commercial entities), including Italian companies that belong to international groups.

She was a member of the boards of statutory auditors of various companies, such as Unione Fiduciaria S.p.A., Azimut Holding S.p.A. and Idrostile S.r.l.. She was also an Auditor in the Order of Chartered Accountants and Accounts Experts of Milan and an Auditor for the Chartered Accountants Foundation of Milan. She is a director at Fondazione Casa della carità “Angelo Abriani”, Sole Auditor of Associazione Paolo Pini e di Comelt S.p.A., director of Fondazione Pro-Familia and Alternate Auditor of IGV Group S.p.A.

She is currently a member of the boards of statutory auditors of the Issuer and of Azimut Holding S.p.A.; she is a director of Fondazione dei Dottori Commercialisti di Milano, Opera Cardinal Ferrari Onlus and Fondazione dei Dottori Commercialisti di Milano S.p.A., and also Chairwoman of the Board of Auditors of Fondazione Caritas Ambrosiana and Sole Auditor of Fondazione per la famiglia Profumo di Betania Onlus, Chairwoman of the Board of Auditors of Fondazione Casa della Carità “Angelo Abriani”, Sole Auditor of Invita Srl and Alternate Auditor of S.I.R.T. Monte Pora S.p.A..

Paolo Baruffi

Having graduated from the L. Bocconi University in Milan, he joined the Order and Register of Chartered Accountants of Milan in 1990, where she is registered under no. 2806. He is listed on the Register of Auditors through a Ministerial Decree of 12/04/1995, published in the Official Gazette no. 31BIS on 21/04/1995.

He is an equity partner at Carnelutti Studio Legale Associato, with registered office in Milan, at Via Principe Amedeo no. 3. He is a member of the Order of Chartered Accountants and the College of Auditors. He cooperates with the tax department at the Studio, where he works as a consultant for the bank’s top management,

industrial and commercial companies for issues relating to corporate and tax law. He also works as a consultant for corporate restructuring operations, mergers and acquisitions at both national and international level.

He is also a member of the Accountants Global Network (AGN) International and the AGN development committee.

He is specialised in administrative liability of companies. He assists leading groups in preparing and implementing Organisation, Management and Control models pursuant to Legislative Decree 231/2001.

He is currently an Alternate Auditor at the Issuer and Chairman of the Board of Statutory Auditors of C Blade S.p.A. Forging & Manufacturing, Nexans Italia S.p.A., Nexans Intercablo S.p.A. and Orologeria Luigi Verga S.p.A. He is Chairman of the Board of Statutory Auditors and Statutory Auditor of Apple Retail Italia S.r.l., Consorzio E.S.E., Cray Valley S.r.l. and DO & CO Italy S.r.l. He is Standing Auditor and Statutory Auditor of Apple Italia S.r.l., Decox S.p.A., L.I.T.E.R. S.r.l., Mak Mart Italia S.p.A. and The European House - Ambrosetti S.p.A. In addition, he is the Sole Auditor and Statutory Auditor of Giesecke+Devrient Mobile Security Italia S.r.l., Resilia S.r.l. and Sole Auditor of Nexans Partecipazioni Italia S.r.l. He is also a Standing Auditor at Banca Intermobiliare di Investimenti e Gestioni S.p.A., Conbipel C&D S.r.l., Digital Solutions S.r.l., Disa Diesel Iniezione S.p.A., Hotel Residence Club S.p.A., Manifattura del Seveso S.p.A. and Swisscom Italia S.r.l. He is an Alternate Auditor at Conbipel S.p.A., Fastweb Air S.r.l., Ferroli S.p.A., Pierre Fabre Pharma S.r.l., Pierre Fabre Italia S.p.A., River Tre S.p.A. in Liquidazione and Seaboats S.r.l. Lastly, he is also Chairman of the Board of Directors of Kimm S.r.l., Konelco S.p.A. and Sertem S.r.l. and a Director at Istituto Mobiliare Lombardo S.p.A.

Antonio Mele

He graduated with honours in economic and banking sciences at Lecce University in 1992. Listed on the Register of Statutory Auditors (no. 89058) since 1999. Since 2007, he has been listed on the Register of Chartered Accountants under no. 8139.

From May 1996 until August 1999, he worked for CONSOB in the Intermediaries Division (Inspectorate and Supervisory Body). From August 1999 until June 2002, he worked for Banca Imi S.p.A. as head of the Internal Control department. From June 2002 until December 2005, he worked for Banca Imi S.p.A. as head of the administration department. From December 2005 until July 2007, he worked for Banca Imi S.p.A. as head of Operations & Administration.

He is currently an independent management consultant.

He has been a member of the Boards of Statutory Auditors of BPER Banca S.p.A., Banca ITB S.p.A., Polaris Real Estate SGR S.p.A., Shine Sim S.p.A., FB5 Investments S.r.l., Fire Group S.p.A. and Fire Resolution S.p.A., IMI Investments S.A., Yarpa Investimenti SGR S.p.A. Alisarda S.p.A., Meridiana Fly S.p.A., Air Italy Holding S.p.A., Air Italy S.p.A. and has been Chairman of the Board of Statutory Auditors of Banca Privata Leasing S.p.A..

He is currently Alternate Auditor of the Issuer and Chairman of the Board of Statutory Auditors of Credito Fondiario S.p.A., TAS Tecnologia avanzata dei sistemi S.p.A., OWL S.p.A., Global Payments S.p.A., Alba Leasing S.p.A., CF HoldCo S.p.A. and CF Asset Management SGR S.p.A. He is also a member of the Board of Statutory Auditors of Value Investments S.p.A., Indaco SGR S.p.A., Special Servicing S.p.A. and Master Servicing S.p.A. and Auditor of Associazione Amici dei Lincei, as well as Alternate Auditor of Iniziativa Bometano S.p.A., Credit Management S.p.A. and Liberty Servicing S.p.A.



In accordance with the 2018 Corporate Governance Code, the Board of Statutory Auditors, as a body, has an adequate knowledge of the sector in which the Issuer operates, of the business dynamics and their evolution, the principles of proper risk management and the applicable regulatory and self-regulatory framework.

Any member of the Board of Statutory Auditors holding a personal or third party interest in a specific Issuer's transaction shall promptly and exhaustively inform the other statutory auditors and the Chairman of the Board of Directors about the nature, terms, origin and extent of their interest.

As explained in the preceding paragraphs, the Board of Statutory Auditors, in the performance of its functions works regularly in coordination with the Internal Audit department, the Sustainability, Risk and Control Committee (also by participating in their meetings), the Risk and Control Director and the Manager in Charge of Financial Reporting.

Since the end of the Year, the Board of Statutory Auditors has already met on 18 January, 28 January, 19 March and 25 March 2021.

As regards to the Company's diversity policies applied in relation to the composition of the Board of Statutory Auditors, concerning aspects such as age, gender and educational and professional training, the composition of the current body is deemed essentially adequate, also in consideration of the requirements for assuming the position, the curriculum vitae of the individual members and the provisions of the Articles of Association aimed at ensuring compliance with the gender parity regulations in force. In any case, the diversity policy, as indicated above, also covers the composition of the Board of Statutory Auditors. The Issuer believes that the composition of the Board of Statutory Auditors reflects the type of diversity and the related policy objectives described in paragraph 4.2. As indicated in said paragraph, it is noted that the Board of Statutory Auditors participated in the Induction Programme sessions held during the Year.

15. Relations with shareholders

The Company has found that it is in its own interest - and also a duty to the market - to establish an ongoing dialogue with all of its shareholders.

In line with the recommendations provided in article 9 of the 2018 Corporate Governance Code, the Company, in order to encourage the broadest possible attendance at shareholders' meetings and facilitate the exercise of shareholders' rights, established a special "*Investor Relations and Sustainability (ESG)*" section which can be easily identified and accessed from its website: <https://company.cerved.com/>. In this section, shareholders can access all relevant information, including financial information (financial statements, half-yearly financial reports and interim operating reports, non-financial declarations, presentations to the financial community and performance of the Company's financial instruments on Borsa Italiana) and documents which may interest the shareholders as a whole (press releases).

The Company has established an internal Investor Relations Department responsible for managing relations with shareholders, which is headed by Pietro Giovanni Masera, who serves as the Company's Structured Finance, Investor Relations & ESG manager.

The Investor Relator is engaged primarily in managing relations with investors, financial analysts and intermediaries. More specifically, he provides support in such areas as research analysis about the Company, definition of consensus estimates and preparation of presentations for the market and meetings with investors.

The contact information to reach the Investor Relations Department and its manager Pietro Masera (also available online at the address <https://company.cerved.com/it/contatti-investitori>) are as follows:

- Telephone +39 02 77 54 624;
- Address: Via dell'Unione Europea 6A-6B, San Donato Milanese;
- E-mail: ir@cerved.com

16. Shareholders' meetings

(pursuant to Article 123-bis, paragraph 2c) of the Consolidated Law on Finance)

The Shareholders' Meeting shall adopt resolutions on issues under its jurisdiction in accordance with current laws, no further specific jurisdiction being assigned to by the Articles of Association.

Under the Articles of Association, as required by Article 2365.2, of the Italian Civil Code, the Board of Directors has jurisdiction over resolutions concerning mergers in the circumstances set forth in Articles 2505 and 2505-bis of the Italian Civil Code, the establishment and closing of secondary offices, the designation of the directors empowered to represent the Company, the reduction of share capital in the event of withdrawal by shareholders, amendments to the Articles of Association in compliance with statutory requirements and the transfer of the registered office anywhere in Italy.

Both ordinary and extraordinary Shareholders' Meetings shall adopt resolutions with the majorities required by the law in each case, with regard both to duly convening the Shareholders' Meeting and the validity of adopted resolutions.

The resolutions of the Shareholders' Meeting, adopted pursuant to the law and the Articles of Association, are binding on all shareholders, including absent or dissenting shareholders, and shall be set forth in minutes drawn up in accordance with the legislation in effect at any given time and signed by the Chairman and the secretary or a notary selected by the Chairman. Pursuant to article 8 of the Articles of Association, ordinary and extraordinary Shareholders' Meetings, as a rule, are held in the municipality where the Company's registered office is located,

unless the Board of Directors selects a different location, provided it is in Italy or in a country where the Company conducts its activities directly or through Subsidiaries or investees.

An ordinary Shareholders' Meeting must be convened at least once a year, to approve the financial statements, within 120 days from the end of the reporting year or 180 days as the Company is required to prepare consolidated financial statements or, otherwise, when required by special needs concerning the Company's structure and business object.

Notice of the Shareholders' Meeting shall be given within the deadline required pursuant to the applicable laws and regulations by means of an announcement published on the Company's website and with the manner required pursuant to the laws and regulations in effect at any given time, prior to the Shareholders' Meeting by a length of time that shall not be shorter than the minimum required pursuant to the law.

Ordinary and extraordinary Shareholders' Meetings shall be held on a single call, to which the majorities required pursuant to law shall apply. Under article 10 of the Articles of Association, the parties eligible to vote may be represented at the Shareholders' Meeting pursuant to law, by means of a proxy granted in the manner required by current legislation. The proxy may be notified to the Company also electronically, sending it by email in the manner specified in the notice of Shareholders' Meeting.

Under the articles of association, the Company may avail itself of the option provided for by the law to designate a representative to whom the Shareholders may grant a proxy with voting instructions for all or some of the items on the agenda of the Shareholders' Meeting.

Shareholders' Meetings are chaired by the Chairman of the Board of Directors or, in case of his absence or impediment, by the deputy chairman or the Chief Executive Officer, if they are present; otherwise, the Shareholders shall elect their chairman from among the attendees.

The activities of Shareholders' Meetings are governed by the Shareholders' Meeting Regulation.

The Shareholders' Meeting Regulation is available at the Company's registered office and website <https://company.cerved.com/>, in the *governance/documents and procedures/documents* section. It was adopted for the purpose of governing the orderly and effective progress of the shareholders' meetings and facilitate the exercise of rights by shareholders, in accordance with the provisions of laws and the recommendations set forth in the 2018 Corporate Governance Code.

In order to regulate and facilitate participation by eligible parties, article 6 of the Shareholders' Meeting Regulation states that the parties eligible to exercise the right to vote may ask to take the floor only once with regard to the items on the agenda, providing remarks, and asking questions. They may also make proposals. A request to take the floor may be put forth from the moment the Shareholders' Meeting is called until the Chairman closes discussions about the item on the agenda. In order to guarantee the orderly and effective progress of the Shareholders' Meeting, the Chairman may determine a term for submitting requests to take the floor at the beginning or during the discussion of individual issues.

Again in accordance with the Shareholders' Meeting Regulation, the Chairman shall determine the manner by which shareholders may ask to take the floor and

address the Shareholders' Meeting and the order in which this will occur and, considering the subject and the relevance of the individual item discussed and the number of parties asking to take the floor and any questions submitted by the shareholders prior to the Shareholders' Meeting that the Company has not already answered, shall determine in advance the duration of questions and follow-ups, as a rule not more than ten minutes for questions and five minutes for follow-ups, so that the Shareholders' Meeting may complete its activities in a single meeting.

Nine of the eleven directors in office participated in the Shareholders' Meeting of 20 May 2020; the Board of Directors reported on the activities carried out and those planned and committed to ensuring that shareholders are provided with adequate information about the elements necessary to enable them to take reasoned decisions on the relevant matters.

With respect to the Year, no shareholder proposed to the Shareholders' Meeting a resolution on matters other than those on which a proposal was made by the Board of Directors. The Board did not find any significant changes in the capitalisation or shareholding structure such as to require the proposal of amendments to the Articles of Association.

17. Additional corporate governance practices

(pursuant to Article 123-bis, paragraph 2a) of the Consolidated Law on Finance)

The Company did not adopt any additional corporate governance practices in addition to those described in this Report.

18. Changes after the reporting date

No changes occurred in the Company's corporate governance structure between the reporting date and the date of this Report.

19. Considerations concerning the letter of 22 december 2020 from the chairman of the corporate governance committee

The eighth edition of Borsa Italiana's Format stipulates that, when drafting the Report, this Section should describe the Company's strategies concerning the recommendations contained in the letter from Ms Patrizia Grieco, Chairwoman of the Corporate Governance Committee, sent on 22 December 2020 to all chairmen of administrative bodies, and, for information purposes, to the chief executive officers and chairmen of supervisory bodies of Italian listed companies (the "**Letter**").

The Letter, after supplying certain recommendations concerning the state of implementation of the Code, expresses the hope that "they will be brought to the attention of the board and competent committees, and that they will be considered, including for the purposes of the self-assessment, to identify possible developments to governance or to address any gaps in the application or explanations provided", "to the control body in charge of monitoring the effective implementation of the recommendations set out in the 2020 Code" and "that the considerations and any relevant initiatives undertaken will be included in the next corporate governance report".

The Company's Remuneration and Nomination Committee, in charge of providing the Company's Board of Directors with periodic updates of developments of corporate governance rules pursuant to art. 3.4 point (vii) of the regulation, while also formulating adjustment proposals, analysed the Letter on 20 January 2021, similarly to the Board of Directors.

The Letter identifies, in general, six main areas for improvement requiring greater adherence by the issuers to the recommendations contained in the Code and which will be shown hereunder:

- (i) sustainability**, with the invitation to "integrate sustainability of the company's activities into the definition of the strategies, of the internal control and risk management system and of the remuneration policy, also on the basis of an analysis of the relevance of factors that may affect the generation of value in the long term";
- (ii) pre-meeting information**, with the invitation to "explicitly determine the terms considered appropriate for sending the documentation, include, in the corporate governance report, a clear indication of the terms identified and compliance with them, and not to allow a derogation from the terms for mere confidentiality requirements";
- (iii) application of independence criteria**, with an invitation to "justify, on an individual basis, any disapplication of one or more independence criteria; to define ex ante the quantitative and/or qualitative criteria to be used for as-

sessing the significance of the relationships under examination”;

(iv) self-assessment of the management body, with the invitation to “assess the board’s contribution to the definition of strategic plans and to supervise the board review process”;

(v) appointment and succession of directors with the invitation to “provide a thorough report on the activities conducted by the appointments committee in cases where it has been combined with the remuneration committee or its functions are assigned to the plenary sessions of the board; to ensure the completeness and promptness of the draft resolutions needed to appoint the company bodies and to express, at least in companies without concentrated ownership, a view on the optimal composition thereof; to establish, at least in larger companies, a succession plan for executive directors that identifies, as a minimum, the procedures to follow in the event of early termination of the term from office”;

(vi) remuneration policies with the invitation to “provide clear instructions regarding the identification of the weight of the variable component, by distinguishing between components linked with annual and multi-year time frames; to reinforce the link between variable remuneration and long-term performance objectives, including, where relevant, non-financial parameters; to limit the possibility of paying out sums not connected with predetermined parameters (i.e. ad hoc bonuses) to exceptional cases, subject to adequate explanation; to define criteria and procedures for awarding severance indemnities; to verify that the amount of remuneration granted to non-executive directors and members of the supervisory body is adequate for the expertise, professionalism and commitment required for this office”.

The Board of Directors, at the end of the meeting on 20 January 2021, after analysing the recommendations concerning areas for improvement contained in the Letter (and shown in this paragraph), assessed the following:

- › with regard to the first issue, the Company has launched a growth and analysis process with respect to sustainability issues, drawing inspiration from the Code of Ethics and the principles enshrined by the United Nations, while ensuring alignment with international best practices. The Company has therefore included a principle in its strategy whereby a long-term vision calls for the alignment of the company’s interests with those of the community in which it operates and of all its stakeholders. Furthermore, the definition of an ESG (environment, social, governance) strategy is underway, acknowledging that this approach can also represent an opportunity for business growth;
- › with regard to the second issue, the Company has commenced an intense activity aimed at improving corporate practice on the timeliness and quality of pre-meeting information, while complying with confidentiality requirements. Moreover, as shown in the Action Plan approved by the Board of Directors on 20 January 2021, the Board of Directors has adopted a suitable board regulation that also addresses the promptness and quality of the pre-meeting information (in this regard, see paragraph 4.3 of this Report);
- › with regard to the third issue, the Board of Directors has already adopted, on 14 July 2020, quantitative parameters for assessing the independence of the representatives (i.e. directors and auditors). What is more, as set forth in the Action Plan, the Company has supplemented these parameters in light of the recommendations in the 2020 Corporate Governance Code (in this regard, see



the points laid down in paragraph 4.6);

- › with regard to the fourth issue, the Board of Directors promotes an annual self-assessment process that involves the directors filling out special questionnaires prepared by an independent third party. Moreover, as set forth in the Action Plan, the Company has adopted formalised self-assessment procedures and supervise their implementation. For the purposes of defining the next Industrial Plan, the Company is pursuing a structured process within the framework of which certain induction and dialogue sessions have been conducted with the Board of Directors, with a view to also receiving any observations;
- › with regard to the fifth issue, during 2019 the Board of Directors initiated a Succession Planning process, with a focus on the first of the Chief Executive Officer's top executives. The Company also assessed the additional recommendations in the 2020 Corporate Governance Code, to update its Succession Planning (see paragraph 4.1);
- › with reference to the sixth issue, the Proxy Advisor scores in the votes in favour received in relation to the Remuneration Report, confirm the Company's commitment to use the best remuneration practices to align the interests of the Management with those of the Shareholders, in a long-term perspective, ensuring complete transparency thereof. The Remuneration Report provides information about the improvements made in terms of remuneration (i.e. CEO pay-ratio, new sustainability objectives in the incentive systems, pay for performance alignment).

The Board of Directors, in its meeting on 20 January 2021, examined and approved an Action Plan which summarises the main activities to implement to enable the Company's adjustment to the new 2020 Corporate Governance Code, vested the Chairman Gianandrea De Bernardis and the Chief Executive Officer Andrea Mignanelli with the power to take all improvement actions that may lead to an ever-increasing promotion of the Company's good corporate governance.

*** **

San Donato Milanese, 25 March 2021

On behalf of the Board of Directors

The Chairman

Gianandrea De Bernardis



Tables

TABLE 1 - THE OWNERSHIP STRUCTURE

SHARE CAPITAL				
	No. of shares	% of share capital	Listed (state the markets)/ unlisted	Rights and obligations
Ordinary shares	195,274,979	100%	Mercato Telematico Azionario organised and managed by Borsa Italiana	Rights and obligations as per the law and the articles of association
Multiple-vote shares	N.A.			
Shares with restricted voting right	N.A.			
Shares with no voting right	N.A.			
Other	N.A.			
OTHER FINANCIAL INSTRUMENTS (assigning the right to acquire newly issued shares through subscription)				
	Listed (state the markets)/unlisted	No. of securities outstanding	Class of shares earmarked for conversion/exercise	No. of shares servicing the conversion/ Year
Convertible bonds	N.A.			
Warrants	N.A.			



SIGNIFICANT INTERESTS IN SHARE CAPITAL

Reporting party	Direct shareholder	% interest in common share capital	% interest in voting share capital
GRUPPO MUTUIONLINE S.p.A.	Gruppo Mutuionline S.p.A.	2.306	2.306
	Centro Istruttorie S.p.A.	0.709	0.709
	TOTAL	3.015	3.015
MASSACHUSETTS FINANCIAL SERVICES COMPANY	MFS Heritage Trust Company	0.131	0.131
	MFS Investment Management Canada Limited	0.003	0.003
	MFS Institutional Advisors Inc	0.031	0.031
	MFS International Singapore Pte. Ltd	0.042	0.042
	MFS Investment Management KK	0.010	0.010
	MFS International (UK) Limited	0.025	0.025
	Massachusetts Financial Services Company	3.939	3.939
	MFS International Australia PTY LTD	0.001	0.001
TOTAL	4.182	4.182	
WELLINGTON MANAGEMENT GROUP LLP	Wellington Management International LTD	0.213	0.213
	Wellington Management Company LLP	4.864	4.864
	TOTAL	5.077	5.077
KAYNE ANDERSON RUDNICK INVESTMENT MANAGEMENT LLC	Kayne Anderson Rudnick Investment Management LLC	3.064	3.064
	TOTAL	3.064	3.064
CERVED GROUP S.P.A. (TREASURY SHARES)	TOTAL	1.533	N.A.

TABLE 2 – STRUCTURE OF THE BOARD OF DIRECTORS

COMPOSITION OF THE BOARD OF DIRECTORS AT 31 DECEMBER 2020

Board of Directors											Sustainability, Risk and Control Committee		Related Party Committee		Remuneration and Nomination Committee		Keplero Committee		
Members	Year of birth	Date of first appointment *	In office since	In office until	Slate **	Exec.	Non-exec.	Indep. Code	Indep. CLF	No. of other posts held ***	(*)	(*)	(**)	(*)	(**)	(*)	(**)	(*)	(**)
Fabio Cerchiai ⁽¹⁾	1944	25/3/2014	16/4/2019	Approv. FS at 31/12/2021	BoD		X	X	X	10	17/23					M	5/8	M	1/1
Gianandrea De Bernardis	1964	25/3/2014	16/4/2019	Approv. FS at 31/12/2021	BoD	X				3	23/23								
Sabrina Delle Curti	1975	22/9/2015	16/4/2019	Approv. FS at 31/12/2021	BoD	X				0	23/23								
Andrea Mignanelli	1969	29/4/2016	16/4/2019	Approv. FS at 31/12/2021	BoD	X				1	23/23								
Umberto Carlo Maria Nicodano	1952	16/4/2019	16/4/2019	Approv. FS at 31/12/2021	BoD		X			12	22/23			M	5/6	M	8/8	M	1/1
Mara Anna Rita Caverni	1962	30/4/2014	16/4/2019	Approv. FS at 31/12/2021	BoD		X	X	X	3	21/23	M	12/14						
Aurelio Regina	1963	30/4/2014	16/4/2019	Approv. FS at 31/12/2021	BoD		X	X	X	13	19/23				P	7/8			
Andrea Casalini	1962	16/4/2019	16/4/2019	Approv. FS at 31/12/2021	BoD		X	X	X	2	23/23			P	6/6			P	1/1
Alessandra Stabilini		16/4/2019	16/4/2019	Approv. FS at 31/12/2021	BoD		X	X	X	9	23/23	P	14/14	M	6/6			M	1/1
Mario Francesco Pitto		16/4/2019	16/4/2019	Approv. FS at 31/12/2021	m		X	X	X	19	20/23			M	6/6			M	1/1
Valentina Montanari	1967	29/4/2016	16/4/2019	Approv. FS at 31/12/2021	m		X	X	X	2	22/23	M	13/14			M	8/8		

Number of meetings held during the reporting year:
23

Sustainability, Risk and Control Committee: **14**

Related Party Committee: **6**

Remuneration and Nomination Committee: **8**

Keplero Committee: **1**

Quorum required to file minority lists for the appointment of one or more members (Article 147-ter Consolidated Law on Finance): 1% as set by Consob resolution no. 44 of 29 January 2021

NOTES

⁽¹⁾ Lead Independent Director.

• Risk and Control Director.

* Date of first appointment means for each director the date when the director was appointed for the very first time to the Issuer's Board of Directors.

** This column shows from which list each director was drawn ("M" majority slate; "m" minority slate; BoD list filed by the Board of Directors).

*** This column shows the number of posts held as director or statutory auditor by the director in question at other companies listed on regulated markets, in Italy and abroad, and at financial companies, banks, insurance companies or companies of a significant size. Annex 1 (see below) shows the current directors' posts in full.

(*) This column shows in which capacity the director serves on the Committee: "C": Chairman; "M" Member.

(**) This column shows the attendance of directors at meetings of the Board of Directors and the committees (number of meetings they attended out of the total number of meetings they could have attended (e.g., 6/8; 8/8; etc.).

TABLE 3 – STRUCTURE OF THE BOARD OF STATUTORY AUDITORS

Board of Statutory Auditors

Position	Members	Year of birth	Date of first appointment *	In office since	In office until	Slate **	Indep. Code	Attendance at Board of Stat. Au-ditors meetings ***	No. of other posts held ****
Chairman	Antonella Bientinesi	1961	13/04/2017	20/05/2020	Approv. FS at 31/12/22	m	X	16/16	7
Standing auditor	Costanza Bonelli	1968	13/04/2017	20/05/2020	Approv. FS at 31/12/22	M	X	16/16	9
Standing auditor	Gilberto Comi	1964	20/5/2020	20/5/2020	Approv. FS at 31/12/22	M	X	11/11	29
Alternate auditor	Paolo Baruffi	1959	20/5/2020	20/5/2020	Approv. FS at 31/12/22	M	X	-	34
Alternate auditor	Antonio Mele	1968	13/04/2017	20/05/2020	Approv. FS at 31/12/22	m	X	-	15

Number of meetings held during the reporting year: 16

Quorum required to file minority lists by minorities for the appointment of one or more members (Article 148 Consolidated Law on Finance): 1% as set by Consob resolution no. 44 of 29 January 2021.

* Date of first appointment means for each statutory auditor the date when the statutory auditor was appointed for the very first time to the Issuer's Board of Statutory Auditors.

** This column shows from which list each statutory auditor was drawn ("M" majority slate; "m" minority slate).

*** This column shows the attendance of statutory auditors at meetings of the Board of Statutory Auditors (number of meetings they attended out of the total number of meetings they could have attended (e.g., 6/8; 8/8; etc.).

**** This column shows the number of posts held as director or statutory auditor by the statutory auditor in question pursuant to Article 148-bis of the Consolidated Law on Finance and the re-spective implementation provisions set forth in the Consob's Issuers' Regulation. The full list of offices is published by Consob on its website pursuant to Article 144-quinquiesdecies of the Issu-ers' Regulation.

ANNEX 1 – LIST OF POSTS HELD BY DIRECTORS

Directors Name and Surname	Other companies where they hold a post	Post held at the company or equity interest held
Fabio Cerchiai	ATLANTIA S.P.A.	Chairman of the Board of Directors
	UNIPOLSAI	Deputy Chairman
	ABERTIS INFRAESTRUTURAS SA	Director
	ARCA VITA S.P.A.	Chairman of the Board of Directors
	ARCA ASSICURAZIONI S.P.A.	Chairman of the Board of Directors
	ANSPC – ASSOCIAZIONE NAZIONALE PER LO SVILUPPO DEI PROBLEMI DEL CREDITO	Member of the Steering Committee
	DIPLOMATIA	Deputy Chairman
	ACCADEMIA ITALIANA DI ECONOMIA AZIENDALE	Director
	CENSIS – FONDAZIONE CENTRO STUDIO INVESTIMENTI SOCIALI	Member of the Steering Committee
	ASSONIME	Member of the Steering Committee
Mara Anna Rita Caverni	ERG S.P.A.	Independent Director
	CORDUSIO SIM S.P.A.	Independent Director
	ITALCANDITI S.P.A.	Chairman
Gianandrea De Bernardis	HIPPOCRATES HOLDING S.P.A.	Director
	CONCERIA PASUBIO S.P.A.	Chairman
	FOSCOLO HOLDING S.A.R.L.	Chairman of the Advisory Board
Sabrina Delle Curti	NONE	
Andrea Mignanelli	CODIFI S.P.A.	Director
Alessandra Stabilini	COIMA RES SIIQ S.P.A.	Independent Director
	UNIEURO S.P.A.	Non-executive Director
	LIBRERIE FELTRINELLI S.R.L.	Non-executive Director
	AIDEXA S.P.A.	Independent Director
	HITACHI RAIL STS S.P.A.	Standing auditor
	BRUNELLO CUCINELLI S.P.A.	Standing auditor
	TANK SGR S.P.A.	Liquidator
	ILLYCAFFÈ S.P.A.	Standing auditor
Umberto Carlo Maria Nicodano	ECU SIM S.P.A.	Member of the Supervisory Committee
	GREEN HUNTER GROUP S.P.A.	Chairman of the Board of Directors
	GREEN HUNTER S.P.A.	Chairman of the Board of Directors
	VALENTINO S.P.A.	Deputy Chairman
	BREMBO S.P.A.	Director
	LEVRIERO HOLDING S.P.A.	Director
	FINOS S.P.A.	Director
	TWT S.P.A.	Director
	VOISOFT S.R.L.	Director
	JEFFERIES INTERNATIONAL LIMITED	Member of Investment Banking & Capital Markets Senior Advisory
	MIROGLIO S.P.A.	Chairman of the Board of Directors
	BELAB S.P.A.	Director
	VICUNA HOLDING S.R.L.	Director

Directors Name and Surname	Other companies where they hold a post	Post held at the company or equity interest held
Mario Francesco Pitto	CONBIPEL S.P.A.	Independent Director
	INTERPUMP HYDRAULICS S.P.A.	Standing auditor
	HYDROVEN S.R.L.	Sole statutory auditor
	OLEODINAMICA PANNI S.R.L.	Chairman of the Board of Statutory Auditors
	IMM HYDRAULICS S.P.A.	Standing auditor
	REGGIANA RIDUTTORI S.R.L.	Standing auditor
	CONTARINI LEOPOLDO S.R.L.	Standing auditor
	TEKNOTUBI S.R.L.	Sole statutory auditor
	AVI S.R.L.	Sole statutory auditor
	INOXHIP S.R.L.	Sole statutory auditor
	NUTRILINEA S.R.L.	Standing auditor
	NUTKAO S.R.L.	Chairman of the Board of Statutory Auditors
	CLAIRE S.R.L.	Sole statutory auditor
	WHITE BRIDGE INVESTMENTS II S.P.A.	Standing auditor
	WHITE BRIDGE INVESTMENTS S.P.A.	Standing auditor
	BIOFARMA SRL	Standing auditor
	SPECCHIASOL SRL	Standing auditor
	Aurelio Regina	FRATTIN AUTO S.R.L.
LEILA MONTIPO' E SORELLE S.P.A.		Chairman of the Board of Statutory Auditors
FONDAZIONE MUSICA PER ROMA		Chairman of the Board of Directors
ASPEN INSTITUTE ITALIA		Board member
CENTRO STUDI AMERICANI		Deputy Chairman
DEFENCE TECH S.P.A.		Chairman
EGON ZEHNDER INTERNATIONAL S.P.A.		Director
MANIFATTURE SIGARO TOSCANO S.P.A.		Deputy Chairman of the Board of Directors
SISTEMI E AUTOMAZIONE S.R.L.		Director
SISAL S.P.A.		Chairman of the Board of Directors
SISAL GROUP S.P.A.		Chairman of the Board of Directors
FORAMIL SRL		Chairman of the Board of Directors
DONEXIT SRL		Chairman of the Board of Directors
NEXT S.P.A.		Chairman of the Board of Directors
ENGINEERING S.P.A.		Director
Valentina Montanari	NEWLAT FOOD S.P.A.	Independent Director
	MEDIOLANUM GESTIONE FONDI SGR P.A.	Independent Director
Andrea Casalini	AMPLIFON S.P.A.	Independent Director
	ENGAGIGO S.R.L.	Director



► **Concept and graphic design:**

Briefing Milano sas (Milano)

► **Print:**

New Copy Service srl (Milano)



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