

# **SOL S.p.A.**

## **2023 Report on corporate governance and ownership structure**

**pursuant to article 123-*bis* of the Consolidated Law on  
Finance  
(traditional management and control model)**

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## 1. ISSUER PROFILE

### 1.1. Foreword: compliance with the Corporate Governance Code

This report provides information about the corporate governance and ownership structure of SOL S.p.A. ("**SOL**" or the "**Company**") prepared pursuant to article 123-bis of Legislative decree no. 58/1998 (respectively, the "**Report**" and the "**CLF**").

It provides a general overview of the corporate governance of SOL which is in line with the principles and recommendations of the Corporate Governance Code adopted by the Corporate Governance Committee in January 2020, promoted by issuers' associations, Borsa Italiana S.p.A. and Assogestioni (the investors' association) (the "**Code**"), adopted by SOL on 1 January 2021.

Under the Corporate Governance Code, in 2024 and at the date of the Report, SOL qualified as a "company with concentrated ownership", as it is owned by a shareholder which holds the majority of the votes that can be exercised in the ordinary shareholders' meeting (in this respect, see section 2 of the Report).

Again under the Code, in 2023, SOL became a "large company", as its capitalisation was greater than €1 billion on the last Exchange business day of each of the previous three calendar years (2020, 2021 and 2022). Indeed, its capitalisation was (i) €1,269.8 million at 30 December 2020, (ii) €1,918.3 million at 30 December 2021 and (iii) €1,607.9 million at 31 December 2022. At 30 December 2023, SOL capitalisation was €2,521.5 billion, whereas on 30 December 2024, it was €3,369.5 million). Therefore, in accordance with the provisions of the Code, SOL S.p.A. must apply the principles and recommendations of the Corporate Governance Code covering "large companies" starting from the second financial year following the achievement of the "large company" status, i.e., from 2024, on a comply or explain basis. To this end, in 2023, SOL adopted the organisational measures necessary to ensure that, as of 1 January 2024, its *governance* complied (on a "*comply or explain*" basis) with the principles and recommendations of the Code applicable to "large companies". Specifically, on 14 November 2023, the Board of Directors amended its Regulations in order to set up a "Control, Risk and Sustainability Committee", setting the rules governing its composition, responsibilities and functioning. With effect from 1 January 2024, this Committee officially took office and began its work. In addition, on 7 September 2023, the Board of Directors approved a "Policy for Managing Dialogue with the Generality of Shareholders and Other Stakeholders (the *Engagement Policy*)" pursuant to article 1 Principle IV and Recommendation 3 of the Code, with the aim of managing dialogue and communication with institutional investors (including financial analysts) and shareholders in general.

The Company does not meet the definition of small and medium-sized enterprise pursuant to article 1.1w-*quater*.1) of the CLF and article 2-*ter* of Consob Regulation no. 11971 of 14 May 1999 implementing the provisions on issuers, as subsequently amended and supplemented (the "**Issuers' Regulation**"). Indeed, SOL market capitalisation was greater than €500 million for three consecutive years (2022, 2023 and 2024).

This Report was prepared in accordance with the latest format prepared for issuers by Borsa Italiana S.p.A. (adjusted where necessary) dated December 2024.

The Board of Directors also acknowledged the guidelines of the Chairman of the Corporate Governance Committee of Borsa Italiana S.p.A. set out in the letter dated 17 December 2024 which was sent to all listed companies, therefore including SOL (see section 16 of the Report).

### 1.2 Mission of the Company and corporate responsibility commitment

Founded in Italy in 1927 and present in 32 countries at the date of this Report, the SOL Group, made up of SOL and its subsidiaries (the "**SOL Group**" or the "**Group**") is active in the field of production, applied research and marketing of technical and medical gases, the home care services sector, biotechnology and production of energy from renewable sources. Specifically, the SOL Group is active in the production and marketing of industrial, medical, pure and ultra-pure technical gases, integrating supplies with the design, construction and operation of gas production plants, storage plants and equipment, as well as with the distribution and utilisation of gases and the provision of related services. The Group is also active in the home care services sector that has grown considerably in recent years. In this sector, the SOL Group provides, specifically via the

Vivisol brand companies, all products, aids, services and specialist assistance that can be provided at home to patients, on prescription and under medical supervision, thereby improving their quality of life. The Group has also invested in the construction and operation of hydroelectric power plants abroad for energy production, in the biotechnology sector and, more recently, in the design, manufacture and application of orthopaedic devices and mobility aids.

Fairness and loyalty in behaviour, willingness to listen, enhancement of diversity and, above all, the ability to understand stakeholders' needs mean that SOL's mission is essentially focused on constantly striving to be the best solution provider for its customers, patients and, more generally, a point of reference for all its stakeholders.

SOL has always believed that success is not only the result of the pursuit of profits, but also of the respect and enhancement of the Company's social and ethical role as it operates externally as part of complex relationships. Therefore, it believes that integrating the financial aspects with its social, environmental, legal and ethical aspects is now essential.

SOL has always believed in the fundamental role played by sustainable development and success and in the pursuit of continuous improvement. Indeed, it is firmly committed to environment, health and safety protection, as well as to social responsibility.

Its focus on environmental and safety issues goes beyond the scope of its operations as it also embraces the development of technologies and customer services. To this end, gas applications and plant solutions were developed whose strengths include user safety and environmental protection. Furthermore, with the respect to home-care area, it develops innovative services and therapies that can improve patients' quality of life.

SOL has for many years now adopted an Integrated Quality, Safety and Environmental Management System certified as complying with the highest recognised standards. With an organisational structure dedicated to these areas, SOL has invested and continues to invest in the training of all its employees, knowing that constant awareness-raising at all levels on these issues plays a fundamental role in the correct application of the Integrated Quality, Safety and Environment Management System and is indispensable for ensuring and maintaining a high level of safety and quality.

In 1995, SOL was one of the first Italian companies to join the *Responsible Care* programme, the global chemical industry voluntary programme sponsored in Italy by Federchimica, in which it has been actively involved ever since, including with a representative on the Steering Committee. The Company's commitment to this programme was further strengthened with the signing of the *Responsible Care Global Charter* in January 2015.

SOL's Quality certification process, which began in 1994, has progressively led to the following certifications which were obtained by the end of 2024:

- ISO 9001 (quality management systems) for 201 SOL Group units (100 in the field of technical gases, biotechnology and production of renewable energy and 101 in the home care sector);
- ISO 45001 (occupational health and safety management systems) for 86 group units (58 in the field of technical gases and 28 in the home care sector);
- ISO 14001 (environmental management systems) for 41 group units (32 in the field of technical gases and 9 in the home care sector);
- EMAS (environmental registration) for three plants (Verona and Mantua) and the Monza site;
- ISO 50001 (energy management systems) for five group units in Germany and Slovenia;
- ISO 22000 (food safety management) for 32 group units;
- ISO 27001 (information system security management systems) for four companies in Italy (SOL S.p.A., Vivisol S.r.l., SOL Gas Primari S.r.l. and Biotechsol S.r.l.) and 28 units in the home care sector.
- ISO 13485 for 34 group units, 28 in the field of technical gases and 6 in the home care sector;

- gender certification according to the UNI 125:2022 Standard

Since 2009, SOL has published an annual Sustainability Report, also on its website, in which, in addition to a description of the Company's mission and values, it describes its sustainability governance and the Group's environmental, economic and social performance. Following the coming into force of Legislative decree no. 254 of 30 December 2016, which implemented Directive 2014/95/EU, as of 2017, the Company has prepared a non-financial statement (included in its Sustainability Report) which provided environmental and social disclosures and information about personnel, respect for human rights and the fight against active and passive corruption to the extent necessary to understand the Company's performance, results, position and the impact of its operations. Until 2023, SOL decided to include this statement in the Sustainability Report, which remained separate from the financial statements, although it is approved by the Board of Directors and made available to the Board of Statutory Auditors and the independent auditors for the necessary checks and compliance certification.

Legislative Decree No. 125 of 6 September 2024 implemented the European Union's Directive 2022/2464/EU (so called CSRD Directive), amending various directives on corporate sustainability reporting. This decree stipulates that companies required to prepare consolidated financial statements pursuant to Legislative Decree No. 127 of 9 April 1991 that are part of a large group (according to the criteria set out in Legislative Decree No. 125/2024) prepare a consolidated sustainability report contained in a special section of the management report, which contains the information necessary for understanding how sustainability issues affect the group's performance, results and position in accordance with the rules set out in Legislative Decree No. 125/2024.

Therefore, with reference to the financial year ending 31 December 2024, SOL, as the parent company, it prepared the consolidated sustainability report for the financial year ending 31 December 2024 in accordance with the provisions of EU Directive 2022/2464 and Legislative Decree No. 125/2024, with certification of compliance by the delegated administrative bodies and the manager in charge of preparing the corporate accounting documents, in addition to the certification report by the independent auditors. The management report and the consolidated sustainability report contained therein have been made available to the public as required by law, together with the above-mentioned certificates of compliance.

Moreover, on 1 March 2012, SOL was one of the first Italian companies to adopt the Charter of Principles for Environmental Sustainability, a voluntary tool for companies that are members of Confindustria (the main association representing manufacturing and service companies in Italy), which sets out the shared values and actions necessary for consistent and gradual progress towards greater environmental sustainability, in addition to realistic and achievable goals for Italian companies.

### 1.3 SOL corporate governance system

SOL corporate governance system is governed by the law, the secondary legislation adopted by Consob and other competent authorities, and by a set of organisational rules, regulations and internal procedures described on the Company's website at [www.solgroup.com](http://www.solgroup.com) to which reference should be made for a copy of all the relevant corporate documentation. The website is periodically updated to gather all the Group's regulated and institutional information, with sections focused on sustainability, investors and shareholders.

The main corporate documents governing SOL corporate governance system are listed below, together with the section of the Company's website where they are available.

Specifically, the "Governance" section includes the corporate documentation covering the following subsections:

- "Corporate Bodies" which shows the composition of SOL corporate bodies and the *curricula vitae* of the directors, statutory auditors and general managers in office, also indicating the independent auditors;
- "Corporate Documents" which includes the following documents pertaining to SOL corporate governance system:
  - the Company By-laws (the "By-laws");
  - Shareholders' Meeting Regulations;
  - Board of Directors' Regulations;
  - Procedure for transactions with related parties;



- Internal dealing procedure;
- Internal dealing communications;
- Organisation, management and control model pursuant to Legislative decree no. 231/2001 (the "**231 Decree**" and the "**231 Model**") with its protocols and the Code of Ethics contained therein;
- Whistleblowing procedure;
- Policy for Managing Dialogue with the Generality of Shareholders and Other Stakeholders (the Engagement Policy)";
- the Anti-corruption code;
- "*Reports on corporate governance*" which includes:
  - the annual report of the board of directors on corporate governance and ownership structure;
  - the report on remuneration policies and remuneration paid;
- the "*Code of Ethics*" which includes the Code of Ethics of the SOL Group.

The "*Investors*" section comprises the following sub-sections:

- "*Results and Presentations*" which includes:
  - annual reports;
  - interim reports;
  - corporate presentations;
- "*Press releases and financial notices*" which includes price-sensitive press releases and notices published in national newspapers;
- "*SOL Stock Exchange*" which provides information about the eMarket SDIR transmission system and the eMarket STORAGE mechanism available at [www.emarketstorage.com](http://www.emarketstorage.com) run by Spafid Connect S.p.A., used by SOL for the transmission and storage of Regulated Information;
- "*For Shareholders*" where provides information about participation in the Shareholders' Meetings, Questions and Answers (Q&A) and, with respect to Shareholders' Meetings, in addition to the minutes and all reports submitted to the Shareholders' Meeting, all other Shareholders' Meeting documentation (including, without limitation, the lists submitted for the appointment of the Board of Directors and the Board of Statutory Auditors, indicating whether the list is submitted by the majority or the minority shareholder).

In addition to the above corporate documentation, the following documents also form an integral part of SOL corporate governance system:

- the Procedure for handling inside information and for keeping the list of people with access to inside information) (pursuant to ruling national and EU legislation on corporate information and market abuse for listed companies);
- the Integrated Quality, Safety and Environment Management System, which, with respect to safety, was ISO 45001 certified, which is relevant for the internal control system and the 231 Model;
- the *Antitrust Handbook*, which forms an integral part of the *Antitrust Compliance Programme* implemented by SOL, with its Operational *Vademecum* and related *Group Policy*;
- the *Privacy Policy* implementing the GDPR;
- the guidelines applicable to the internal control and risk management system;
- the regulations governing Board Committees.

#### 1.4 SOL corporate governance structure

SOL is aware that an efficient system of corporate governance is one of the key elements in achieving the goals of sustainable success.

As per its By-laws, SOL corporate governance is based on the traditional management and control model and comprises the following corporate bodies:

- Board of Directors;
- Board of Statutory Auditors;
- Shareholders' Meetings.

The roles and functioning of the corporate bodies are governed by the laws and regulations in force from time to time, the By-laws and the resolutions passed by the competent corporate bodies.

#### *The Board of Directors*

As described in more detail in section 4 of the Report, the Board of Directors plays a central role in the Company's governance. Indeed, it sets the governance and administration of the Company by defining the strategies and monitoring their implementation, with the fundamental objective of pursuing the sustainable success of the Company and the Group, i.e., to create value in the long-term for shareholders, while considering the interests of the other stakeholders which are relevant for the Company (see Principles I-IV of the Code).

The Board of Directors is vested with the broadest powers for the ordinary and extraordinary management of the Company and may delegate its powers to one or more CEOs (who may also hold the office of Chair or Deputy Chair of the Board of Directors), determining the content, limits and any procedures for exercising the delegated powers. The Board of Directors may also assign special tasks to individual directors.

The delegation of powers within the Board of Directors does not exclude the broad competence of the Board of Directors, which, in any event, remains collectively vested not only with the power to issue directives to the delegated bodies and for the acts falling within the delegated power, but also with the power to direct and control the Company's overall management activities, examining and approving inter alia, the strategic, business and financial plans of the Company or the Group, the most significant transactions, transactions with related parties submitted to the approval of the Board of Directors or the board committee set up for this purpose, as well as defining the corporate structure and the allocation of operational responsibilities and management powers.

In accordance with the principles and recommendations set forth in article 2 of the Code on the composition of the corporate bodies, the Company's Board of Directors appointed for the 2022-2024 three-year period (therefore, until the date of the shareholders' meeting called to approve the financial statements at 31 December 2024) is comprised of eleven directors, of which (i) a Chair and CEO, (ii) a Deputy Chair and CEO, (iii) two additional executive directors and (iv) seven non-executive directors, five of whom meet the independence requirements set forth in articles 147-ter.4, and 148.3 of the CLF and the Code. Furthermore, (i) in compliance with the legal and regulatory provisions on gender balance (articles 147-ter.1-ter of the CLF and 144-undecies.1 of the Issuers' Regulation), the Board of Directors is made up of six men and five women; (ii) one director is appointed by the minority shareholders based on the list voting rules (pursuant to article 10 of the By-laws and article 147-ter of the CLF). The next shareholders' meeting on 14 May 2025 will be called to appoint the new Board of Directors.

Until 31 December 2023, the Board of Directors had established (i) a committee for transactions with related parties (**'Related Parties Committee'**) and a remuneration committee (the **'Remuneration Committee'**). Having become a 'large company' within the meaning of the Corporate Governance Code, effective 1 January 2024, SOL has set up a **'Control, Risk and Sustainability Committee'** (see also Section 6 of the Report below). As a "company with concentrated ownership", on the other hand, SOL is not required under the Code to set up a Nomination Committee. Therefore, it assigned the relevant functions to the Board of Directors.

Finally, on 14 May 2024, the Board of Directors set up the Gender Equality and Inclusion Steering Committee, entrusting its chairmanship to an independent director (**'Gender Equality and Inclusion Committee'**) (for a description of which see section 6 of the Report).

#### *The Board of Statutory Auditors*

The Board of Statutory Auditors is responsible, inter alia, for monitoring:

- compliance with the law and the By-laws;
- compliance with the principles of good administration;
- the adequacy of the Company's organisational structure for the aspects within its competence, the internal control system and the administrative-accounting system, as well as the reliability of the latter in correctly representing operations;
- the effective application of the corporate governance rules set out in the Code, which the Company, by means of public disclosures, has declared to comply with;
- the adequacy of the instructions provided by the Company to its subsidiaries pursuant to article 114.2 of the CLF.

The Board of Statutory Auditors appointed for the 2023-2025 three-year period (therefore, until the date of the Shareholders' Meeting called to approve the financial statements at 31 December 2025) is comprised of



three standing auditors and two alternate auditors who meet the requirements of independence, professionalism and integrity set forth in the laws and the regulations in force from time to time. In Board of Statutory Auditors: (i) one standing auditor who also acts as the Chair of the Board of Statutory Auditors and one alternate auditor were appointed by minority shareholders through list voting (pursuant to articles 148.2 of the CLF, 144-sexies of the Issuers' Regulation and 17 of the By-laws); and (ii) one standing auditor and one alternate auditor belong to the less represented gender (pursuant to articles 148.1-bis of the CLF, 144-undecies.1 of the Issuers' Regulation and 17 of the By-laws).

#### *Shareholders' Meetings*

Shareholders' Meetings may be ordinary and extraordinary and resolve on the matters reserved by the law and the By-laws. Therefore, Shareholders' Meetings resolve, inter alia, on (i) the appointment and removal of the members of the Board of Directors and the Board of Statutory Auditors, the determination of their remuneration and any liability actions; (ii) the approval of the financial statements and allocation of profits; (iii) the authorisation to purchase and dispose of treasury shares; (iv) the report on the remuneration policies and remuneration paid (v) any remuneration plans based on financial instruments in favour of directors, employees or collaborators of the Company, parents or subsidiaries; (vi) the amendments to the By-laws; (vii) merger and demerger transactions; (viii) the issue of convertible bonds and financial instruments; and (ix) all other matters subject by law to their competence.

The operation of Shareholders' Meetings are governed by Shareholders' Meeting Regulations.

For additional information about SOL corporate governance structure, it is noted that, as the date of the Report, the following were in office:

- the manager in charge of financial reporting, appointed by the Board of Directors, after hearing the Board of Statutory Auditors, on 11 September 2007, pursuant to article 154-bis of the CLF and article 11 of the By-laws (the "**Manager in Charge of Financial Reporting**");
- the Related Party Committee most recently appointed on 11 May 2022 within the Board of Directors pursuant to the regulations containing provisions relating to transactions with related parties issued by Consob with resolution no. 17221 of 12 March 2010, as subsequently amended (the "**Related Party Regulation**") and the internal procedure on related party transactions approved by SOL Board of Directors most recently on 16 June 2021 (the "**Procedure for Transactions with Related Parties**");
- the Remuneration Committee most recently appointed on 11 May 2022 within the Board of Directors also pursuant to recommendations 16 and 25 of the Code;
- **the Control, Risk and Sustainability Committee** appointed on 14 November 2023 and in force since 1 January 2024 within the Board of Directors also pursuant to recommendations 16, 32 and 35 of the Code;
- The CEO and Deputy Chair as the director in charge of the internal control and risk management system most recently appointed on 11 May 2022 (the "**Director in Charge of the Risk Management and Control System**");
- the head of the internal audit function most recently appointed on 30 March 2023 pursuant to recommendations 32(d), 33(b) and 36 of the Code (the "**Head of the Internal Audit Function**");
- the supervisory body (the "**SB**") most recently appointed on 11 May 2022 pursuant to the 231 Decree;
- the independent auditors in charge of the statutory audit of SOL financial statements for the 2016-2024 period, appointed by SOL on 12 May 2017 (Deloitte & Touche S.p.A., with registered office in Milan, Via Tortona 25). The engagement covers the audit of the separate and consolidated financial statements, as well as the review of the condensed half-year financial statements, including checking that the Company's accounts are kept properly and signing the tax returns.

On 10 May 2024, SOL's Shareholders' Meeting appointed "EY S.p.A.", with registered office in Milan, to audit SOL S.p.A.'s accounts pursuant to Legislative Decree No. 39 of 27 January 2010 and Regulation (EU) No. 537/2014 of the European Parliament and of the Council of 16 April 2014, for a term of nine financial years, namely, for the financial years 2025-2033 in place of Deloitte & Touche S.p.A.

## **2. INFORMATION ABOUT THE COMPANY'S OWNERSHIP STRUCTURE (pursuant to article 123-bis.1 of the CLF)**

**at 26 March 2024**

### **2.1 Structure of the share capital (pursuant to article 123-bis.1.a) of the CLF).**

SOL subscribed and paid-up share capital amounts to €47,164,000.00 and is comprised of 90,700,000 ordinary shares with a nominal unit value of €0.52.

There are no categories of shares other than ordinary shares.

The structure of the share capital with evidence of the ordinary shares is shown in Table 1 attached to the Report.

No other financial instruments granting the right to subscribe for newly issued shares have been issued.

There are no share-based incentive plans (stock options, stock grants, etc.).

### **2.2 Restrictions on transfers of securities (pursuant to article 123-bis.1.b) of the CLF).**

There are no restrictions on the transfer of securities, such as limitations to owning securities or the need to obtain consent from the Company or other security holders.

### **2.3 Shareholders with significant interests in the share capital (article 123-bis.1.c) of the CLF).**

Table 1 attached to the Report shows the significant direct and indirect interest in SOL share capital based on the communication sent to the Company pursuant to article 120 of the CLF.

Those who hold more than 3% of SOL share capital are required to make notifications pursuant to article 120 of the CLF.

### **2.4 Securities that convey special rights (pursuant to article 123-bis.1.d) of the CLF).**

There are no securities that convey special rights.

### **2.5 Employee share scheme (pursuant to article 123-bis.1.e of the CLF).**

No employee share scheme is in place.

### **2.6 Restrictions on voting rights (pursuant to article 123-bis.1.f) of the CLF).**

There are no restrictions on voting rights, except for the terms and conditions for the exercise of the right to attend and vote at the Shareholders' Meeting in accordance with the law and the By-laws (see section 13 of the Report).

2.7 Shareholders' agreements (pursuant to article 123-bis.1.g) of the CLF).

No shareholders' agreements within the meaning of article 122 of the CLF were communicated to the Company.

2.8 Change of control clauses (pursuant to article 123-bis.1.h) of the CLF) and by-laws provisions governing tender offers (pursuant to articles 104.1-ter and 104-bis.1 of the CLF).

SOL entered into loan agreements with banks totalling approximately €525.6 million, in which, as is customary, the acceleration clause is triggered should the ownership of the controlling interest held by Gas and Technologies World B.V. fall below 51%.

With respect to tender offers, the By-laws do not provide for waivers of the provisions of the passivity rule pursuant to article 104.1 and 1-bis of the CLF, nor do they provide for the application of the neutralisation rules pursuant to article 104-bis.2 and 3 of the CLF.

i) Mandates to increase the share capital and authorisations to repurchase own shares (pursuant to article 123-bis.1.m) of the CLF)

At the date of the Report, no mandates were assigned to the directors to increase the share capital against consideration in one or more instalments, nor were the directors granted the power to issue bonds convertible into both ordinary and savings shares or with warrants valid for the subscription of shares.

There were no pending authorisations to repurchase own shares and, at present, the Company has no own shares.

2.10 Management and coordination pursuant to article 2497 and following articles of the Italian Civil Code and article 16.4 of Consob regulation no. 20249/2017 (the "**Market Regulation**")

At the date of this Report, SOL shareholding structure is comprised a single controlling shareholder, Gas and Technologies World B.V., (in turn controlled by Stichting Airvision, a Dutch foundation), which holds 59.978 % of the share capital.

Neither Gas and Technologies World B.V. nor Stichting Airvision carry out management and coordination activities over SOL pursuant to article 2497 and following articles of the Italian Civil Code. Indeed, the majority shareholder, a holding company, only exercises the rights and prerogatives of each shareholder and is not involved in the management of the Company (management is fully entrusted to the autonomous decisions of SOL Board of Directors).

SOL, as the head of the SOL Group, carries out management and coordination activities over its subsidiaries pursuant to article 2497 of the Italian Civil Code.

### **3. COMPLIANCE**

#### **(pursuant to article 123-bis.2.a) of the CLF)**

SOL has adopted the Corporate Governance Code on 1 January 2021. The version of the Code in force at the date of the Report is available on the Corporate Governance Committee's website at: <https://www.borsaitaliana.it/comitato-corporate-governance/homepage/homepage.htm>.

The Code's principles and recommendations are implemented by the Company as described from time to time further on in the Report in relation to each aspect of the corporate governance system covered.

As mentioned above in section 1.1 of the Report, for the purposes of the Code, in 2023, SOL remained a "company with concentrated ownership", but also became a "large company": indeed, it met the relevant requirement since its capitalisation was greater than €1 billion on the last Exchange business day of each of the previous three calendar years (2020, 2021 and 2022). SOL's capitalisation also remained above the EUR 1 billion threshold on the last trading day of the financial year 2023 and the financial year 2024. Therefore, in accordance with the provisions of the Code, SOL must adopt the "comply with or explain" principle and the recommendations of the Corporate Governance Code covering "large companies" starting from the second financial year following the achievement of the "large company" status, i.e., from 2024. Accordingly, as of 1 January 2024, SOL's governance has been in conformity (in a 'comply or explain' mode) with the principles and recommendations that the Corporate Governance Code dictates for 'large companies'.

In particular, SOL, as a 'large company', has set up a 'Risk and Sustainability Control Committee' consisting of three non-executive directors, two of whom are independent, including the chairman (Recommendation No. 16 and 35 of the Code).

On the other hand, the status of "large company" did not give rise to any major changes. Indeed, despite being a "large company", SOL, as a "company with concentrated ownership": (i) continues to avail of the option not to set up an Appointment Committee, as it can assign the relevant functions to the Board of Directors even if half of said board is not made up of independent directors (Recommendation 16 of the Code); (ii) already meets the requirement of a number of independent directors at least equal to one third of the Board of Directors (Recommendation 5 of the Code).

With respect to regulatory compliance in the sectors in which the Group operates, it is noted that the main drugs the Group distributes in hospitals include oxygen, medical air and nitrous oxide, oxygen and nitrous oxide mixtures and nitrogen monoxide. Oxygen is the main drug the Group distributes to patients' homes. Again in the healthcare sector, the Group manufactures and markets gases for medical devices, such as liquid nitrogen for cryopreservation and cryotherapy and carbon dioxide for laparoscopy, as well as medical equipment and device systems that are used in medicine for diagnostic and therapeutic purposes (from oxygen delivery systems in hospitals to home mechanical ventilators).

The Pharmaceutical and Regulatory Affairs Department, established within the Corporate Executive Quality, Safety, Environment, Ecology and Regulatory Affairs Department, supports, controls and coordinates all SOL Group companies in the authorisation process for the production, distribution and marketing of gases for medicinal use, as well as other drugs and medical devices.

Medicines and medical devices are subject to severe controls and the documentation required for the authorisation process is increasingly complex and accurate. Pharmaceutical factories, which produce drugs, must be authorised by the Medicines Agencies. These bodies check that all stages of the production process follow GMP (Good Manufacturing Practices) at national level. Compliance with these guidelines ensures the quality of medicines, which, in turn, is a prerequisite for a medicine to be safe and effective. The manufacturer of a medical device must obtain the CE marking, which certifies that the product complies with the health and safety requirements of current legislation. CE markings (for class 2 and class 3 devices, which prevail in the Group) are issued by Notified Bodies, facilities (laboratories or companies) authorised by the competent authorities of EU countries.

Furthermore, since 2006, SOL has adopted the 231 Model, appointing its own Supervisory Body ("SB"), which is responsible for checking and controlling the effective implementation of the 231 Model and ensuring that it is constantly updated. The Group's Code of Ethics, which is an integral part of the 231 Model, was updated and

expanded in 2017, with a new layout, and disseminated throughout the Group, including through the network. The 231 Model was also subject to many revisions to reflect the increase in the number of crimes covered by the administrative liability set forth in the 231 Decree that may theoretically be committed during the performance of the Company's operations. The seventh edition of the Model was approved by the Board of Directors on 13 June 2024. The revision of the 231 Model follows the review of the mapping of the relevant activities, highlighting and measuring inherent and residual risks. In addition, the catalogue of offences entailing corporate liability was updated, the Code of Ethics was integrated into the 231 Model, and a specific section of the 231 Model was dedicated to Whistleblowing procedures. At the end of 2024, training was conducted for all personnel on the new 231 Model through a web-based video presentation followed by a test. In 2025, a training session (*board induction*) was held on the tax offences contained in Legislative Decree 231/2001 dedicated to directors, auditors, general management and certain managers of the Company most involved in the administrative and financial dynamics (see section 4.4 below in the Report).

Following the coming into force of Legislative decree no. 24/2023 (the "Whistleblowing decree"), which transposed EU Directive 2019/1937 into Italian legislation, on 20 July 2023, SOL Board of Directors approved the Whistleblowing Procedure, which is an integral part of the 231 Model. This Procedure governs reporting via a specific web-based channel that provides for written (via data encryption software) or oral reports, and defines the responsibilities of those who receive and handle the reports. The Company implemented the same software for all the group companies and appointed a single Whistleblowing Manager for the Italian companies represented by the Head of the Internal Control Function, concurrently ensuring adequate disclosure and personal data protection.

On 14 September 2017, SOL Board of Directors approved the first Antitrust Code, whose purpose is to provide all those working for the SOL Group with an easy-to-consult tool in order to familiarise with the fundamental principles of antitrust law and to comply with these principles in the performance of their activities, as well as to identify and report any circumstances or behaviour that may even only look unlawful under competition law. Following the coming into force of the Antitrust Compliance Guidelines of the Italian Antitrust Authority in 2018 and the experience gained on compliance, a review of the Groups' Antitrust Compliance Programme was launched in 2021 to bring it in line with best practices and, above all, effective in reducing possible sanctions. Therefore, a new Handbook was prepared to replace the previous Code, in addition to a series of operational guidelines particularly useful to the recipients of the Antitrust Compliance Programme, which were approved by SOL Board of Directors on 17 February 2022, together with a specific Policy signed by the CEOs, confirming senior management's commitment on this issue. The Board of Directors also appointed the Head of the Antitrust Compliance function and assigned a specific and autonomous budget to this function.

The Company disseminated the new tools of the Antitrust Compliance Programme and provided training to all recipients of the Programme, also in English.

The Antitrust Compliance Programme is also part of the initiatives aimed at fostering the development of a corporate culture of legality and protection of competition, and at adopting procedures and systems that minimise the risk of regulatory breaches, in the broader context of the compliance initiatives launched by the Group and focused on anti-corruption, corporate governance, the enhancement of diversity and the development of gender equality and equal opportunities.

With respect to personal data protection and processing (GDPR), SOL has appointed a Group Data Protection Officer (DPO) for Italy and adopted a Personal Data Protection Policy, in compliance with the applicable legislation, published and disseminated to all personnel and accompanied by an intensive ongoing training programme, including distance learning, that has involved and continues to involve all personnel. Data protection compliance activities continued with specific protocols, the creation of a record of processing activities, the appointment of the various positions involved, etc. in order to fully implement the GDPR in Italy and in the other countries where the SOL Group is present.

On 14 November 2023, SOL's Board of Directors also approved an Anti-Corruption Code, providing all those working for the SOL Group with an easy-to-consult tool that, in addition to that set out in the 231 Model and in the Integrated Management System Rules and Procedures, emphasises corruption-related episodes and the rules of conduct in the main risk areas and in the instrumental ones.

SOL S.p.A. or its strategically important subsidiaries are not subject to non-Italian legal provisions that may influence SOL's corporate governance structure.

## 4. BOARD OF DIRECTORS

### 4.1 Role of the Board of Directors

Pursuant to Principles I-IV of the Code, as stated in article 1.1 of its regulations (the “**Board of Directors’ Regulations**”), the Board of Directors leads the Company by pursuing its sustainable success, i.e., the creation of value in the long-term for the benefit of the shareholders, considering the interests of the other stakeholders relevant for the Company.

The Board of Directors defines the strategies and the supervision of the Company and its subsidiaries and monitors their implementation. To this end, the Board of Directors regularly meets (usually, every three months) and operates in order to ensure the effective and efficient performance of its functions. Meetings last a sufficient and adequate time for the complete and thorough discussion of the items on the agenda.

The Board of Directors has the competence and full powers for all acts of ordinary and extraordinary management of the Company within the limits allowed by the law and regulations in force and the Board of Directors’ Regulations.

The matters reserved to the Board of Directors are those resolved by the Board on 11 May 2022 and described in detail in article 1.3 of the Board of Directors’ Regulations.

Specifically, the Board of Directors:

- defines the Company's corporate governance system and the Group's structure that are most functional and appropriate for carrying out the Company's business and pursuing its strategies, evaluating and promoting, if necessary, any appropriate changes and submitting, when relevant, any proposals to the shareholders' meeting;
- examines and approves the strategic, business and financial plans of the Company and the Group (or the related guidelines or strategic policies), also based on the analysis of the issues relevant to the generation of value in the long-term, periodically monitoring their implementation and assessing the general operating performance also based on a periodic comparison of the results achieved with those planned. Specifically, it examines and approves:
  - any multi-year plans of the Company and the Group as a whole (i.e., guidelines or strategic guidelines);
  - the annual budget of the Group as a whole;
  - the periodic reporting documentation required by applicable laws, regulations and the By-laws, to be submitted to the Board of Statutory Auditors and/or the independent auditors;
- delegates and revokes powers and mandates to the CEOs and any special engagements to other directors, defining their limits and operational approach; it also examines, approves and/or amends the Company's senior management organisational chart and assigns powers to the General Managers and individual Central Managers, including the relevant management and representation powers;
- after examining the proposals of the Remuneration Committee and consulting the Board of Statutory Auditors, it sets the remuneration of directors holding special offices (including the CEOs), who do not attend the meeting. Should the Shareholders' Meeting set the total remuneration for all directors, including those holding special offices, the Board of Directors shall allocate the total amount among the board members based on the powers and/or engagements assigned to each of them;
- without prejudice to the powers of the Shareholders' Meeting, on the proposal of the Remuneration Committee, it prepares and implements any short- and/or medium/long-term incentive plans;
- based on the information received from the CEOs, it assesses the adequacy of the Company's organisational, administrative and accounting structure and its strategically important subsidiaries, focusing, in particular, on the internal control and risk management system;
- it monitors the general performance of operations, focusing, in particular on conflicts of interest, especially taking into account the information received from the CEOs, the directors concerned and the heads of the internal control function;
- it defines the nature and level of risks compatible with the Company's strategic objectives, including all elements that may be relevant in terms of sustainable success in its assessments;
- it reports to the Shareholders' Meeting;
- it prepares and adopts corporate governance rules;
- upon the Chair's proposal, formulated in agreement with the CEOs, it promotes and adopts provisions on the Policy for Managing Dialogue with the Generality of Shareholders and Other Stakeholders relevant for the Company (see section 12);
- it has powers and responsibilities over the internal control and risk management system;



- it appoints and removes, on the proposal of the Chair of the Board of Directors, the Secretary to the Board of Directors and their deputy;
- it resolves on the matters subject to the competence of the Board of Directors pursuant to any applicable law, regulations and the By-laws, and for other matters that the CEOs deem appropriate to submit to the Board of Directors as a body;
- it approves exceptions to the remuneration policy subject to the favourable opinion of the RPT Committee or the Remuneration Committee in the cases and in the manner permitted by the applicable provisions, including the Regulation and the Procedure for Transactions with Related Parties.

The Board of Directors also decides on the adoption and updating of the 231 Model and the Code of Ethics, which is an integral part thereof.

The Board of Directors may also review and approve transactions of significant strategic or financial importance, with particular reference to related party transactions. In this respect, in order to identify transactions that are in any case deemed significant and that, therefore, fall within the exclusive competence of the Board, it has defined a residual size criterion relating to the delegated powers. Indeed, article 1.3.c) of the Board of Directors' Regulations assigns to the exclusive competence of the Board of Directors the decisions concerning the following transactions of the Company and, where subject to authorisation by the Shareholders' Meeting, of its subsidiaries that have a significant strategic and financial significance for the Company:

- purchase, sale, exchange of real estate for amounts above €7,000,000.00 per individual transaction;
- purchase, sale, exchange and acquisition of equity investments, companies and business units, for amounts above €20,000,000.00 per individual transaction;
- purchase and/or sale of industrial plant and/or machinery for amounts above €20,000,000.00 per individual transaction;
- purchase of movables, products and services, hardware, software, stocks and anything necessary for the Company's business for amounts above €20,000,000.00 per individual transaction;
- leases for amounts above €20,000,000.00 per individual lease;
- transfer receivables for amounts above €20,000,000.00 per individual transaction;
- grant guarantees of any kind in favour of third parties for amounts above €20,000,000.00 per individual transaction;
- enter into medium/long-term loan agreements with banks and lenders in general, providing any collateral and signing contracts to hedge interest rate and currency risks, for amounts above €20,000,000.00 per individual agreement;
- grant loans to subsidiaries for amounts above €20,000,000.00 per individual loan.

The Board of Directors has long established the Remuneration Committee and the Related Party Transactions Committee. For additional information, reference should be made to sections 6 and 9 of the Report, respectively.

With regard to internal control and risk management, in the 2023 financial year, the Company identified the Chief Executive Officer and Deputy Chairman Marco Annoni as the Director in charge of the Control and Risk Management System pursuant to the Corporate Governance Code; it then also set up a Control, Risk and Sustainability Committee, which began operating as of 1 January 2024, assisted by the Internal Control Function and the other controls (see section 1.1 and sections 3 and 8 of the Report).

Finally, on 14 May 2024, the Board of Directors set up the Gender Equality and Inclusion Committee, entrusting its chairmanship to an independent director. (see Section 6 of the Report).

Also in the course of its self-assessment conducted at the end of 2024, the Board of Directors deemed its corporate governance system to be adequate, as it is functional to the company's needs and also adequate to highlight and manage sustainability aspects; therefore, the Board did not deem it necessary or appropriate to draw up proposals for changes in this regard to be submitted to the Shareholders' Meeting.

The Board of Directors' Regulations are available on the Company's website ([www.solgroup.com](http://www.solgroup.com)), in the "Governance" section, "Corporate Documents" sub-section.

In compliance with the European Sustainability Reporting Standards (ESRS), i.e. the European Principles and Guidelines for Sustainability Reporting (paras. 22 -24 and 26 and Appendix A - RA 3 and 4)

The Board of Directors has the main role of governance and management of the company, with the fundamental objective of pursuing the sustainable success of the Group, always taking into account the interests of all relevant stakeholders. All significant sustainability initiatives are evaluated by the Board of Directors. In fact, it is the Board of Directors that approves the information contained in the Consolidated Sustainability Report, as well as the dual materiality analysis that identifies relevant impacts, risks and opportunities for the Group in the area of sustainability. In addition, the Managing Directors and Executive Directors, together with the Executive Board, define the strategy, approve the sustainability plan and define the SOL Group's ESG targets.

2024 is the first year in which the SOL Group has addressed the new requirements introduced by the CSRD. In 2024, the Board of Directors was actively involved and updated by the Corporate Executive Board Quality, Safety, Environment, Regulatory Affairs and Sustainability. The meetings covered the regulatory changes introduced by the CSRD, the status of the CSRD compliance process and the results of the dual materiality analysis with the identification of relevant Impacts, Risks and Opportunities (IRO).

A further official discussion forum is the Steering Committee, chaired by the Corporate Executive Directorate for Quality, Safety, Environment, Regulatory Affairs and Sustainability, which meets annually with the aim of promoting sustainability objectives and projects, as well as coordinating and stimulating the operational structures of all Group companies on the subject. The Steering Committee is made up of the Directors, General Management and Executive Directors and the Corporate Quality, Safety, Environment, Regulatory Affairs and Sustainability Executive Management; it is aimed to coordinate the definition of the Group's sustainability policies and objectives in the ethical, social, environmental and governance spheres, and to communicate their progress internally and externally in cooperation with all the Departments concerned.

The Group is committed to the governance of its relevant IRO. In this way, the company is committed to aligning its governance with the CSRD, ensuring that sustainability and material impacts are an integral part of strategic oversight.

#### 4.2 Appointment and replacement of directors (pursuant to article 123-bis (1.l) of the CLF).

With respect to the procedure for the appointment of directors, article 10 of the By-laws, as amended by the Meeting of 10 May 2024, provides:

- that the Company is managed by a Board of Directors with a number of members ranging from seven to fifteen, as determined by the Shareholders' Meeting;
- that the directors be appointed using the list voting mechanism described below, which ensures that the number of directors required by the laws in force from time to time (two-fifths rounded upwards) belongs to the less represented gender, ensuring gender balance, and that at least one of the directors is taken from a minority list that is not connected, not even indirectly, with the shareholders who submitted or voted for the list that came first in terms of number of votes;
- that at least one of the members of the Board of Directors, or two if the Board of Directors consists of more than seven members, must meet the independence requirements laid down by law;
- as the minimum percentage for the submission of lists, 1% of the share capital represented by shares with voting rights in the shareholders' meetings resolving on the appointment of corporate bodies (the same percentage provided in Consob decision no. 76 of 30 January 2023);
- that, for the purposes of allocating the directors to be appointed, only lists that have obtained a percentage of votes equal to at least half of that required by the By-laws for their submission shall be taken into account;
- that the lists must be filed at the registered office at least 25 days prior to the date set for the Shareholders' Meeting on first call;
- that the Shareholders must also produce, under their own responsibility, at the same time as filing the list or subsequent to the filing of the list, provided that it is within the deadline set for its publication, a copy of the certification issued pursuant to the laws in force by an authorised intermediary, in order to prove their identity and the ownership of the number of shares necessary for the submission of the lists;
- that all lists must contain at least one candidate, or two if the list is composed of more than seven candidates, meeting the independence requirements provided for by the law in force at the time. Lists presenting a number of candidates equal to or greater than three must be composed of a number of director candidates belonging to the least represented gender (as rounded off, if applicable) that complies with the requirements of the pro tempore statutory and regulatory provisions on gender balance;
- that all lists must be accompanied:
  - by information about the identity of the Shareholders who submitted the lists, stating the total

- investment percentage held;
- the professional curricula of the candidates and the statements by which the individual candidates accept their candidacy and declare, under their own responsibility, the non-existence of causes of ineligibility and/or incompatibility envisaged by the laws or the regulations in force and the By-laws, as well as the existence of any requirements set by the laws, regulations or the By-laws applicable to members of the Board of Directors;
- a statement by the individual candidates, under their own responsibility, as to whether they meet the independence requirements established by the legislation in force from time to time;
- that the lists submitted by minority Shareholders must be accompanied by a statement certifying the lack of any relationship, as provided for by the laws in force, with Shareholders who also jointly hold a controlling or relative majority interest;
- that each Shareholder may not submit or participate in submitting or vote for more than one list, including through intermediaries or trust companies. Each candidate may only be included in one list under penalty of ineligibility;
- that under no circumstances may persons who are members of the management and control bodies or employees of Italian or foreign companies competing with SOL (other than the Company's subsidiaries) be appointed as directors, and if appointed they shall forfeit their office.

The appointment of the members of the Board of Directors shall take place, in brief, as follows (and without prejudice to the provisions set forth below concerning gender balance and the presence of at least the minimum number of Directors meeting the independence requirements):

- if two or more lists of candidates are submitted,
  - a) from the list that obtained the highest number of votes at the Shareholders' Meeting, all Directors are taken, in the sequential order in which they are included in the list, according to the number set by the Shareholders' Meeting, except for the Director reserved to the minority list referred to in point b);
  - b) among the remaining lists submitted by minority shareholders, the first candidate on the list that obtained the highest number of votes and who meets the independence requirements provided for by the regulations in force is appointed Director;
  - c) in the event of a tie between the lists referred to in point b) above, a new vote shall be held by the entire Shareholders' Meeting and the first candidate of the list obtaining the simple majority of votes meeting the independence requirements shall be appointed;
- the first candidate on the list obtaining the highest number of votes shall be the Chair, and the second shall be appointed Deputy Chair of the Board of Directors;
- if, by appointing the candidates in the order in which they are included on the lists, the Board of Directors' composition does not comply with the gender quotas as provided for by the relevant legislation, as many candidates of the missing gender as necessary shall be elected in accordance with the legislation in force from time to time, according to the following rules:
  - a) persons belonging to the missing gender shall be identified (in the progressive order in which they are listed) from among the unelected candidates of the list that obtained the majority of votes, and they shall be elected instead of the candidates belonging to the most represented gender of the same list listed last (starting with the last of those elected and going backwards, where necessary, to the candidate listed previously, and so on) from among those who would have been elected had there been no need to supplement the missing gender;
  - b) if the procedure referred to in point a) does not ensure a composition of the Board of Directors that complies with the regulations on gender balance applicable from time to time, the appointment of persons belonging to the less represented gender shall be made by resolution passed by the Shareholders' Meeting with the legal majorities, without recourse to list voting;
- if the candidates elected based on the above procedure do not ensure the appointment of the minimum number of Directors that meet the independence requirements established by the laws in force from time to time governing the total number of Directors, the non-independent candidate elected last in numerical order in the list that received the majority of votes shall be replaced by the independent candidate not elected from the same list in numerical order. This replacement procedure will continue until the Board of Directors is made up of a number of members that meet the independence requirements established by the laws in force from time to time at least equal to the minimum amount required by the law. Finally, if this procedure does not ensure the above result, the appointment of persons meeting the aforementioned requirements will take place by resolution passed by the Shareholders' Meeting with the legal majorities, without recourse to list voting;

- if only one list is submitted, all directors listed in sequential order shall be taken from that list, up to the number set by the Shareholders' Meeting for the composition of the Board of Directors, without prejudice to the application, *mutatis mutandis*, of the procedures described earlier in order to ensure that the composition of the Board of Directors complies with the gender quotas required by the law in force from time to time and the existence of the minimum number of directors meeting the independence requirements set forth by applicable legislation;
- if no list is submitted, the Shareholders' Meeting shall do so by legal majority and without recourse to list voting, subject to compliance with the regulations in force from time to time concerning gender balance and the existence of the minimum number of Directors meeting the independence requirements. In this case, the Shareholders' Meeting shall elect the Chair and the Deputy Chair from among its members.

The replacement of one or more Directors during the year shall take place in accordance with the law. In any case, the Board and, subsequently, the Shareholders' Meeting shall make the appointment in order to ensure (i) the existence of Independent Directors according to the minimum total number required by the current regulation and (ii) compliance with the currently applicable regulation on gender balance.

Should more than half of the directors appointed by the Shareholders' Meeting leave office due to resignation or for any other reason, the entire Board shall be deemed to have lapsed with effect from the time of its new appointment.

The By-laws do not provide for any additional independence requirements for Directors with respect to those established for Statutory Auditors by article 148 of the CLF, of integrity and/or professionalism necessary for the role of director. As already indicated, under no circumstances may persons who are members of the management and control bodies or employees of Italian or foreign companies competing with SOL (other than the Company's subsidiaries) be appointed as directors, and if appointed they shall forfeit their office. The Company is not subject to any further rules (such as industry regulations) on the composition of the Board of Directors.

With regard to recommendation no. 24 of the Corporate Governance Code that, for large companies, suggests the adoption of succession plans for the chief executive officer, executive directors and the top management, on 14 November 2023 the Board of Directors resolved not to define a specific plan for the succession of the chief executive officer and executive directors, nor specific procedures for the succession of top management, noting that in the particular case of the SOL Group, there are already elements that provide adequate safeguards to ensure conditions of continuity and management stability even in the event of the possible early termination of the Managing Directors or other Executive Directors. To this end, the Board of Directors, inter alia, emphasised: (i) the provisions of the By-laws and the law that allow the Board of Directors to co-opt new Directors to replace those who have ceased to hold office, in compliance with the requirements of independence and gender balance, delegating new powers to the co-opted Directors, without prejudice to the need for their confirmation by the subsequent Shareholders' Meeting, and without prejudice to the disqualification of the entire Board of Directors from holding office upon its re-appointment if at least half of the Directors appointed by the Shareholders' Meeting cease to hold office; (ii) the Company's shareholding structure and the existence of a stable controlling shareholder that can resolve on the confirmation of the co-opted Director or, if the entire Board of Directors ceases to exist, on the appointment of Directors, except for that whose appointment is reserved to minority shareholders pursuant to the law; (iii) the appointment of two CEOs with equal powers (the Chair and the Deputy Chair) and two additional Executive Directors, forming an executive management structure that provides significant flexibility, substitutability and stability in operational management; and (iv) an organisational structure based on and supervised by managers in all areas in which the SOL Group operates.

With respect to senior management, the Board of Directors noted that succession has long been monitored through continuous training processes and growth paths internally. In addition, the CEOs and the other Executive Directors, each within their remit, constantly support the activities of senior management and, should a senior manager depart, they are in a position to carry out (or have management carry out) the relevant functions.

#### 4.3 Composition of the Board of Directors (pursuant to article 123-bis.2d) of the CLF)

In accordance with the appointment procedure described earlier, the Ordinary Shareholders' Meeting of 11 May 2022 appointed, inter alia, an 11-member Board of Directors for a term of three years (2022-2024). Therefore,

its term of office will expire on the date of the Shareholders' Meeting called to approve the financial statements at 31 December 2024 (i.e. the meeting of 14 May 2025).

Specifically, two lists were submitted at the Shareholders' Meeting of 11 May 2022:

- List no. 1 submitted by the majority shareholder Gas and Technologies World B.V. (which holds 54,400,000 shares, or approximately 59.98% of the share capital), including the following ten candidates:
  - 1) Mr. Aldo Fumagalli Romario;
  - 2) Marco Annoni;
  - 3) Giovanni Annoni;
  - 4) Giulio Fumagalli Romario;
  - 5) Mr. Duccio Alberti;
  - 6) Alessandra Annoni;
  - 7) Anna Gervasoni (independent);
  - 8) Cristina Grieco (independent);
  - 9) Antonella Mansi (independent);
  - 10) Elli Meleti (independent);
- List no. 2 submitted by Studio Trevisan & Associati of Milan on behalf of the minority shareholders, international and domestic institutional investors (holding a total of 1.81761% of the share capital), including the following candidate:
  - 1) Erwin Paul Walter Rauhe (independent, no connection with majority shareholders).

The following table shows the results of the voting:

|   | <b>no. of shares</b> | <b>% of shares represented at the Shareholders' Meeting</b> | <b>% of share capital</b> |
|---|----------------------|---|---------------------------|
| In favour of List no. 1                 | 60,168,051           | 84.202300   | 66.337432                 |
| In favour of List no. 2                 | 11,288,490           | 15.797700   | 12.445965                 |
| Abstained                               |                      |   |                           |
| Non-voting                              |                      |   |                           |
| Total shares represented at the meeting | 71,456,541           | 100.000000  | 78.783397                 |

Therefore, the following members were appointed to make up SOL Board of Directors for the 2022-2024 three-year period, hence until the date of the shareholders' meeting called to approve the financial statements at 31 December 2024:

- Mr. Aldo Fumagalli Romario (Chair);
- Marco Annoni (Deputy Chair);
- Giovanni Annoni;
- Giulio Fumagalli Romario;
- Mr. Duccio Alberti;
- Alessandra Annoni;
- Anna Gervasoni (independent);
- Cristina Grieco (independent);
- Antonella Mansi (independent);
- Elli Meleti (independent);
- Erwin Paul Walter Rauhe (independent);



Following the 2022 Shareholders' Meeting, the Company's website, "Investors" section - "For Shareholders" sub-section, includes the lists submitted to appoint the Board of Directors, indicating whether they were submitted by the majority or minority shareholder.

On 11 May 2022, the new Board of Directors appointed both the Chair Aldo Fumagalli Romario and the Deputy Chair Marco Annoni as CEOs, entrusting them with the relevant powers.

In addition, the Board of Directors assigned a number of special engagements to the directors Giovanni Annoni and Giulio Fumagalli Romario.

Finally, after defining the quantitative and qualitative criteria for assessing the significance of any commercial, financial or professional relations or any additional remuneration relevant to the Code, the Board of Directors checked the independence requirements of Anna Gervasoni, Cristina Grieco, Antonella Mansi, Elli Meleti and Erwin Paul Walter Rauhe (for a more detailed description, see paragraph 4.10.1).

The Company's website ([www.solgroup.com](http://www.solgroup.com)), in the "Governance" section, "Corporate Bodies" sub-section, includes the *curricula vitae* of the elected directors which provide information about the personal and professional characteristics of each director. Pursuant to article 144-*decies* of the Issuers' Regulation, these *curricula vitae* are also attached to the Report (Annex 1).

Table 2 attached to this Report shows the composition of the Board of Directors at 31 December 2024, also specifying the executive, non-executive and independent role of each director.

As a whole, in accordance with Principles V-VI of the Code, SOL directors' professionalism and competence is commensurate with the tasks assigned to them. The Board of Directors includes a majority of 7 out of 11 directors who are non-executive directors, and 4 executive directors. Furthermore, among the non-executive directors, 5 directors are also independent (representing 45% of the total number of directors). The proportion of independent directors is higher than that required by the law and the Code. Indeed, since the Board of Directors is comprised of more than seven members, pursuant to the law, two directors that meet the independence requirements established for statutory auditors are sufficient (articles 147-*ter*.4 and 148.3 of the CLF). With regard to the Corporate Governance Code, in the financial year 2024 as a 'concentrated ownership' company that has become 'large', SOL is required to have at least one-third of the board of directors as independent directors (see Recommendation No. 5 Corporate Governance Code). As described earlier, the number of SOL independent directors in office already exceeds both of the above requirements.

The Parent Company's Board of Directors consists of members with solid and relevant expertise in the production and distribution of technical gases, as well as in home and hospital care services. In addition, to ensure that the Board of Directors can adequately oversee those risks that may affect the sustainability of the Group's business in a medium to long-term perspective, as well as relevant impacts and opportunities, the Board includes directors with experience gained in business contexts characterised by a strong focus on ESG issues, in top management roles or alternatively in the public - institutional sector closely related to sustainability issues, such as sustainable finance.

There are no employee or other workers' representatives on the Board of Directors.

With respect to the offices of director or statutory auditor held by SOL Directors in other companies listed on regulated markets, including foreign markets, in financial, banking, insurance or large companies, the following is noted at 31 December 2024 and at the date of the Report:

- the Chair and CEO Aldo Fumagalli Romario is an independent Director of Buzzi Unicem S.p.A.;
- the independent Director Anna Gervasoni holds the following positions:
  - independent non-executive director of Banca Mediolanum S.p.A.;
  - independent non-executive director of Lu.Ve S.p.A.;
- the independent director Antonella Mansi holds the following positions:
  - chair of Unicredit Leasing S.p.A.;
  - member of the Advisory Board Italy of Unicredit;
  - Independent Director of Toscana Aeroporti S.p.A..
  - Director of Gesco S.p.A..



The Board of Directors, as a whole, has adequate expertise in the field of sustainability, as some directors directly have such skills due to their past and current experience, some in industry, others in human resources and education.

In any case, all directors can use and update their skills relating to the impacts, risks and opportunities relevant to the company, either through the continuous support of the management structure focused on these issues and called upon several times to intervene in Board of Directors meetings, or through training and board induction activities organised also with the presence of external experts.

With respect to Recommendation 15 of the Code, on 14 November 2023, the Board of Directors decided not to adopt a specific guideline on the maximum number of offices held in corporate bodies of other listed companies and of companies having a significant size that can be considered compatible with an effective performance required by the role of company director; indeed: (i) the diligent performance of the duties embedded in the office of director already requires the availability of the time necessary to perform such activities, also taking into account the commitment related to one's work and professional activities and the number of offices held in other listed companies or companies having a significant size; (ii) it is not easy to classify, under the principles of adequacy and proportionality, the many situations theoretically relevant to the compatibility of different offices, since this depends on the type, size, complexity and specific nature of the business sector of the companies in which the additional offices are held, as well as the specific role held by the Director in such company; and (iii) the compatibility of other activities performed by the Director would require a broader assessment that cannot be standardised such to also include positions or roles other than holding offices in the corporate bodies of other companies.

#### 4.4 Diversity policies and induction programme (pursuant to article 123-bis.2.d-bis of the CLF)

Since 2012, the Company has also appointed to the Board of Directors and the Board of Statutory Auditors members of the less represented gender well above the requirements envisaged by the legislation in force from time to time.

At present, the Company has not adopted a specific diversity policy covering aspects such as the age and educational and professional background of the members of the corporate bodies. Indeed, the provisions of the By-laws, rules and regulations, including the Code, as well as the conduct adopted by the Company's shareholders when appointing the members of the corporate bodies, already ensure an adequate composition of these bodies. The composition of these bodies meets diversity criteria and is a satisfactory mix of diverse skill-sets. Furthermore, based on the experience and personal and professional characteristics of each member, it allows an adequate and in-depth examination of the various issues normally brought to the attention of the corporate bodies. Specifically, at 31 December 2024 and in the current Board of Directors, the gender balance is complied with as the administrative body is composed of six male directors and five female directors (amounting to 45% of the total directors). This composition complies with legal requirements, whereby at least two-fifths of the directors (rounded upwards) must belong to the less represented gender (articles 147-ter.1-ter of the CLF and 144-undecies.1 of the Issuers' Regulation). Similarly, the current Board of Statutory Auditors is composed of two male auditors (two standing auditors and one alternate auditor) and two female auditors (of which one is a standing auditor). Once again, this is in line with the law whereby, in three-member corporate bodies, at least two-fifths of the members (rounded down) must be appointed from among the less represented gender (articles 148.1-bis, of the CLF, 144-undecies.1 of the Issuers' Regulation and 17 of the By-laws). The current Board of Statutory Auditors is therefore composed of 60% male and 40% female auditors.

To date, the company has not adopted a specific discrimination policy. However, with the aim of supporting women's empowerment, gender equality, parenthood and, in general, equity and inclusion, on 14 May 2024, the Board of Directors established the Gender Equality and Inclusion Committee, entrusting its chairmanship to an independent director. This committee is responsible for managing and monitoring all aspects of inclusion, gender equality and integration and has also been instrumental in obtaining gender certification under UNI 125:2022. The Committee is the author of the Strategic Equality Plan and is therefore the corporate body that defines the objectives and coordinates the context and risk analysis activities. The Committee meets at predetermined intervals during the year, involves, from time to time, employees and/or expert consultants on the topics to be discussed and acquires, where necessary and/or appropriate, the opinion of workers' representatives. (in relation to this Committee, see also Section 6 of the Report below).

The SOL Group adopts a set of policies described below, which are endorsed by the Chairman and Deputy Chairman, the General Management, the Corporate Quality, Safety, Environment, Regulatory Affairs and Sustainability Executive Management, and the Human Resources and Legal Affairs Executive Management.

In particular, within the document on Personnel Policies, the SOL Group, at all levels, keeps behaviour marked by fairness, professionalism and respect for the values of the individual, enabling everyone to work with serenity, respecting the rules and their individual values. The SOL Group loathes any unethical attitude towards people and constantly promotes the dissemination of the principle of fairness and integrity from the earliest stages of selection, considering this fundamental value in the assessment of people already at the pre-employment stage.

As far as employee involvement and participation is concerned, the SOL Group, starting with its top management, is committed to promoting the free flow of information useful for people to get to know the company context, to feel included within the company's strategic objectives and to pursue their professional goals in line with them. The short, medium and long-term objectives and results of the Group are periodically shared in a transparent and comprehensible manner to foster a sense of belonging and active participation. The participation of the individual in the identification of improvement initiatives in the areas of sustainability, economic growth, well being within the company and social responsibility is promoted, committing management to take into account and concretely evaluate the emerging needs and ambitions of its employees in these areas, as set out in the Personnel Policies.

The SOL Group companies are constantly committed to operating in compliance with the national labour laws in force in each country and with international labour protection conventions and recommendations. In particular, in line with the principles of the Global Compact promoted by the UN (United Nations Organisation), the SOL Group is committed to supporting the protection and safeguarding of human rights in accordance with the principles affirmed in the Universal Declaration of 1948 and recognises the principles laid down in the fundamental conventions of the ILO (International Labour Organisation), as stated in the Code of Ethics. In all Group companies, the use of child labour is forbidden; the use of forced or compulsory labour or, in any case, the use of any form of labour under the threat of punishment is prohibited; the full and free right to trade union freedom and collective bargaining is guaranteed within the framework of the individual regulations of the sector agreements, and industrial relations in the countries in which the Group operates are based on the utmost loyalty and collaboration, respecting individual roles; the right to working hours that are fair and do not exceed those provided for by labour contracts and agreements with trade unions or by law is guaranteed; an adequate salary that complies with industry collective agreements or that is in any case higher than the legal minimums is guaranteed.

In addition, as explained in the Code of Ethics, the SOL Group is committed to promoting discussion and collaboration among all employees, taking into account the inclinations of each member of staff, in a climate of openness and participation. Employees are required to participate responsibly in company processes so that they feel part of the SOL Group's sustainable growth and success project, through which they can also achieve their own personal success. In addition, the SOL Group is committed to fostering useful initiatives and tools to improve the quality of life of its employees and to support the reconciliation of work and private life, with the belief that a good balance between these is a determining factor in promoting well-being and motivation in its employees. The SOL Group also believes that diversity is a strength, especially considering the international dimension of the Group with more than 7,000 people in 32 different countries.

As stated in the document Principles of Health and Safety Protection, SOL Group companies conduct their business in full compliance with health and safety rules, laws and regulations, work constantly, with the active participation of every employee, to prevent all accidents and injuries, and periodically review their health and safety performance in order to define and implement continuous improvement plans.

The People of the Group must feel free to express their uniqueness because they are the engine of our company. As stated in the Diversity Equity & Inclusion Manifesto document, the SOL Group is committed to fairness, because everyone deserves equal opportunities, without obstacles and/or barriers, promoting an inclusive and open culture that fosters creativity and innovation; and it works on transparency of information as an element to involve all social stakeholders in a trusting and sustainable environment.

The SOL Group is committed to promoting the above through internal communication and training initiatives and by promoting inclusive language at every level of the organisation.

Measures are taken to prevent, mitigate and act against discrimination, as set out in the Code of Ethics and the Whistleblowing Procedure.

In the area of industrial relations, the SOL Group has for years activated the Company Observatory with trade union representatives as a non-negotiating forum for exchanging views on work organisation and disseminating information on the Group's results and projects.

As repeatedly emphasised, the Group Code of Ethics plays a central role as a corporate governance tool, also serving as a guideline for the implementation of sustainability in the SOL Group.

In addition to the Code of Ethics, the SOL Group has adopted and disseminated a document on Personnel Policies which, thanks to the values promoted and the internationalisation path undertaken, illustrates how the Group has developed sensitivities and tools aimed at managing diversity, valuing people and identifying talents in multiple areas, sectors and countries.

The Group believes, in fact, in the importance of personnel management policies and tools that take into account people's changing and emerging needs, with a view to both integrating heterogeneous representation in work groups and facilitating people at different stages of their professional and personal lives. The following are concrete examples of the implementation of these principles:

- access to employment for categories of disadvantaged workers and people with disabilities, not only in compliance with the legal obligations that the Group meets, but also through the commitment of all company personnel to actively include these people within work teams, protecting their specificities and promoting their growth without any form of discrimination;
- promotion of gender equality in all its forms: equal opportunities in access to training and career paths and the initiation of a path leading to equal pay for equal roles, responsibilities and skills possessed by reducing the even minimal pay-gap existing;
- experimentation with projects for the reintegration into work of individuals who have or are paying their debt to the justice system.

No form of discrimination is permitted in the SOL Group, whether related to physical condition, disability, opinion, nationality, ethnicity, religion, gender, sexual orientation and gender identity, or any other condition that may give rise to discrimination. The SOL Group defends these values at every stage of human resources management: from recruitment, hiring, training, appraisal and salary determination, without prejudice to meritocratic criteria.

All employees are required to adopt towards their colleagues an attitude characterised by mutual respect and the protection of the rights and dignity of persons.

The Group prevents and, if necessary, punishes any situation of injustice or discrimination in the workplace, as well as any situation of bullying, threats, violence or harassment, protecting those who feel they have been victims.

In this regard, the SOL Group has provided for an internal reporting channel through the 'Whistleblowing' platform, which the whistleblower must use to transmit information on violations. Moreover, using this channel enables effective prevention and prompt action and guarantees the confidentiality of the identity of the whistleblower, the facilitator (if any), the persons involved and in any case mentioned in the report, as well as the content of the report and the related documentation submitted with the report or subsequently.

The actions that the SOL group deploys are manifold to increase diversity in each work team.

In addition, training initiatives on diversity, equity, equality and inclusion aim to create awareness at every level of our organisation, steering towards inclusive behaviour and promoting respect, fairness and equal opportunities within the corporate context. Examples of projects, implemented in 2024, that go in this direction are: the continuation of the aforementioned 'SOL Group Womens' Development Programme', dedicated to specific training for SOL Group women on leadership-related topics in order to better support them in their career development within the company, and the achievement of the UNI/PdR 125:2022 certification, obtained by SOL Spa and VIVISOL srl.

Further initiatives to promote the use of inclusive language have already been planned for 2025.

SOL organises periodic training initiatives for directors and statutory auditors on various corporate and business issues, as well as in-depth sessions that are held during meetings attended by various company managers. They are also provided with information that, in terms of content and frequency, enables them to form adequate knowledge of the Company's and Group's activities, their progress, as well as the related business processes, impacts, risks and opportunities that are relevant for the business, also with a view to pursuing sustainable success. Most of the Board meetings open with an update on safety and environmental issues presented by the competent Director.

Concerning specific training in 2024, a *board induction* session was held on activities in the home care sector, through a visit to a new site where board members were able to view the offices, warehouse and maintenance and sanitisation laboratory, learning, among other things, how all processes are conducted in accordance with the principles of environmental sustainability and safety. Also in 2024, training sessions were held on the new Model 231 and the Anti-Corruption Code, while in January 2025, a training session was held on the tax offences contained in Legislative Decree 231/2001, conducted by an expert criminal lawyer, which was attended not only by the directors and auditors, but also by the members of the Supervisory Bodies of SOL and its subsidiaries, the managers of the Corporate Administration and Finance Department and the head of the

Internal Control Function. In February 2025, a board session was held on human resources management and, in particular, the results of a climate survey conducted at the end of 2024 and the initiatives taken afterwards. Finally, the SOL Group has never adopted any employee discrimination policy, as its DNA includes the values of fairness, gender equality and equal opportunities. These are confirmed, inter alia, by the composition of the Board of Directors and the existing board committees, as well as the Board of Statutory Auditors, and all actions describe above.

For further information on diversity within the SOL Group, please refer to the Consolidated Sustainability Report for the year 2024.

#### 4.5 Functioning of the Board of Directors (pursuant to article 123-bis.2.d) of the CLF)

As part of the activities carried out to comply with the Corporate Governance Code, on 18 February 2021, SOL's Board of Directors approved the Board of Directors' Regulations, which was last amended on 14 November 2023. These Regulations summarise the powers of the Board of Directors and define *'the rules of operation of the board and its committees, including the procedures for taking minutes of meetings and the procedures for managing information to directors'* (in accordance with Recommendation No. 11 of the Corporate Governance Code). The matters falling within the competence of the Board of Directors are described in section 4.1 of the Report.

Pursuant to article 12 of the By-laws and article 5.1 of the Board of Directors' Regulations, the Board of Directors meets as often as necessary and appropriate, usually every three months. In 2024, the Board met 8 times and the meetings lasted on average more than two hours. In 2025, twelve Board meetings are expected to take place. Of these, two meetings were held before 26 March 2025. The attendance is shown in Table 2 attached to this Report.

Except in cases of necessity and urgency, during the Board meetings, the CEOs provide the Directors with the necessary information reasonably in advance to enable the Board to express an informed opinion on the matters submitted for its examination. In this respect, article 6.4 of the Board of Directors' Regulations provides that the information and supporting documentation necessary for the meetings must be made available by the Secretary, as instructed by the Chair, to the Directors and Standing Auditors at least three days before the date of the meeting or, in the event of an urgent meeting, as soon as it is available, while protecting the confidentiality of data and information. Where it is not possible to provide the necessary information or documentation well in advance, the Chair of the Board of Directors, assisted by the Secretary (or their deputy), shall ensure that adequate and timely information is provided during board meetings.

With respect to the meetings held in 2024, the Board of Directors' Regulations were complied with in relation to the procedures covering the terms and adequacy of the information provided to the directors, considering that, in some cases, in-depth information was provided during the board meeting also by means of specific presentations and the involvement of line managers, thus enabling the directors to act in an informed manner.

Minutes of board meetings are taken pursuant to article 8 of the Board of Directors' Regulations. Specifically, the minutes of each board meeting shall be taken by the Secretary in a clear and concise form. The minutes shall contain all the details of the meeting (day, start and end times, venue, agenda, Chair and Secretary, the names of the directors and statutory auditors present and those absent, indicating, for the latter, those who excused their absence, the names of any other persons invited to attend the meeting), as well as a description of the items discussed and any speeches and statements made during the discussion, the text of the resolutions passed, indicating the votes in favour, against and the abstentions on each individual resolution.

The minutes shall be made available to the Directors and Statutory Auditors by the Secretary after the board meeting and, in the absence of observations, they shall be transcribed in the special company book by the Secretary and signed by the Chair of the meeting and by the Secretary (or by the Notary Public where provided for by current legislation).

With respect to the matters to be discussed, pursuant to article 7.8 of the Board of Directors' Regulations, certain third parties (mainly Company and Group managers) may be invited to attend board meetings, as their presence is deemed useful in relation to the matters to be discussed or to support the performance of the Board's work, such as the General Manager, the Deputy General Managers and/or the Corporate Administration and Finance Executive Director, as well as other department heads, the head of the Internal Control Function, the members



of the Supervisory Body and/or the Contact Persons, the Antitrust Compliance Officer, managers, employees and consultants of the Company and its subsidiaries.

This provides the directors, after their appointment and during their term of office, with adequate and constant knowledge of the evolution of the Company's and the Group's activities in the various sectors.

With respect to the attendance of managers in board meetings and the content of their speeches, it is noted that, during the 8 board meetings held in 2024, the following parties took the floor:

- the General Manager and Deputy General Managers at all 8 meetings concerning the presentation of annual and half-yearly accounting data, quarterly sales, presentation of the annual budget and particular business projects, as well as issues concerning the identification and management of risks
- the Administration and Finance Central Director attended 5 meetings covering, inter alia, the presentation of annual and interim accounting figures, quarterly sales and borrowings;
- the Head of the Internal Control Function attended 4 meetings, including those concerning the activities of this Function, with quarterly updates of the Function's annual work plan;
- the Corporate Executive Quality, Safety, Environment, Ecology and Regulatory Affairs Department attended 4 meetings relating to quarterly reporting on quality, safety and the environment, of which 1 meeting with the Head of the Sustainability, Communication, Image and Mobility Service, in connection with the presentation of the 2023 Sustainability Report and for the materiality analysis in view of the preparation of the 2024 Social Responsibility Report and Sustainability Report;
- the Corporate Executive Director of Personnel, Legal Affairs and Information Systems attended 5 meetings to illustrate, also assisted by third-party lawyers, legislative developments, ongoing disputes or the adoption of regulations or decisions pertaining to Compliance and Corporate Governance, as well as to support the Remuneration Committee and, as a member of the Supervisory Body, to describe its activities, together with the Chair of said body and the other external member of the body;
- the head of Antitrust Compliance attended 1 meeting concerning the activities of this department;
- Executive Director Business Vivisol Mittel-Europa attended 2 meetings, including 1 meeting with an area manager, to illustrate new initiatives in the home care sector launched in the area of competence ;
- the Technical Gas Business Executive Directors for Italy, Western Europe and Extra Europe, the Director of New Plants, the Director of a foreign country and the Purchasing Director attended 1 meeting each to illustrate significant production, business and investment projects underway.

No exceptions to the non-competition clause laid down in article 2390 of the Italian Civil Code have been authorised in general and in advance for directors.

#### 4.6 Delegated bodies

The Chair and the Deputy Chair are vested with certain operational powers in relation to management of the Company. Specifically, they are vested with all powers of ordinary and extraordinary administration, with the exception of those that cannot be delegated by law or the By-laws, those reserved to the exclusive competence of the Board as mentioned earlier (see paragraph 4.1) and those granted to the Employer pursuant to article 2.b of Legislative decree no. 81/2008 pertaining to occupational safety, health and environmental protection and pharmaceuticals.

The powers of ordinary administration are exercised by the two CEOs severally. With respect to the powers of extraordinary administration, the joint decision of the two CEOs is necessary even if, in order to execute dependent acts, the Company is validly represented by one CEO with the written authorisation of the other.

For example, the powers of extraordinary administration vested in the Chair and the Deputy Chair include the following:

- purchase, sell, exchange real estate of the Company for amounts above €1,000,000.00 and up to 7,000,000.00 per individual transaction;
- purchase, sell, exchange and acquire equity investments, companies and business units up to €20,000,000.00 per individual transaction;
- purchase and/or sell industrial plant and/or machinery for amounts above €1,000,000.00 and up to €20,000,000.00 per individual transaction;
- purchase movables, products and services, hardware, software, stocks and anything necessary for the Company's business for amounts above €20,000,000.00 per individual transaction;
- enter into leases for amounts above €20,000,000.00 per individual lease;

- transfer receivables above €5,000,000.00 and up to €20,000,000.00 per individual transaction;
- issue and endorse bills of exchange;
- provide sureties, establish mortgages and grant guarantees in general above €1,000,000.00 and up to €20,000,000.00 per individual transaction;
- enter into medium/long-term loan agreements with banks and lenders in general, providing any collateral and signing contracts to hedge interest rate and currency risks, for amounts above €5,000,000.00 and up to €20,000,000.00 per individual agreement;
- grant loans to subsidiaries for amounts above €5,000,000.00 and up to €20,000,000.00 per individual loan;
- enter into and/or contract cash and commercial credit lines with banks and lenders in general;
- appoint directors.

The CEOs have always promptly, and in any case within three months, submitted transactions of significant economic or financial importance to the approval of the Board of Directors. They have also always reported to the Board at least quarterly on the activities carried out in as part of the powers delegated to them.

#### 4.7 Other executive directors

With the resolution dated 11 May 2022 and without prejudice to the powers conferred on the two CEOs, the Board of Directors also conferred special mandates on two Directors.

Specifically, Giovanni Annoni was granted ordinary administration powers for the organisation of IT systems, to be exercised with single signature within the spending limits assigned under the operating and investment budgets, while Giulio Fumagalli Romario was granted ordinary administration powers for Legal and Corporate Affairs, specifically with respect to institutional relationships (such as Ministries, Consob, Borsa Italiana S.p.A., etc.), to be exercised with single signature and, in any case, in coordination with the two CEOs.

#### 4.8 Chair of the Board of Directors

Also for the purposes of Recommendation 4 of the Code, it is noted that the Chair of the Board of Directors Aldo Fumagalli Romario, having been appointed CEO of SOL and having been granted significant management powers, qualifies as Chief Executive Officer within the meaning of the Code.

According to the Board of Directors, the coexistence of the two roles must be viewed positively, as it is supported by the characteristics of the Director, which effectively combine the role of Chair of the Board of Directors and that of CEO. Indeed, with more than 30 year-experience in managing SOL as part of the exercise of operational proxies, the Chair of the Board of Directors and CEO gained an in-depth knowledge of the Company, which enables him to act as a point of reference for all directors, as well as for shareholders and other relevant stakeholders. Furthermore, the Chair of the Board of Directors and CEO is highly experienced and ensures the effective and adequate flow of information to the non-executive and independent members of the Board of Directors, in addition to steering, guiding and coordinating the agenda and functioning of the entire Board, thereby fulfilling all the requirements and functions assigned to the Chair. Furthermore, thanks to his specific qualities and strong managerial skills, he is one of the driving forces behind SOL's success, confirming its ability to act as CEO. The coexistence of the roles of Chair of the Board of Directors and CEO is also useful in order to take advantage of his steering role in the coordination of institutional relationships.

Finally, for the sake of completeness, it is noted that SOL has another CEO, Marco Annoni.

In 2024, the Chair of the Board of Directors oversaw:

- the suitability of pre-board information, as well as the additional information provided during board meetings, to enable directors to act in an informed manner in the performance of their duties;
- the coordination of the work of the board committees (with investigative, propositional and advisory functions) with the work of the Board;
- in collaboration with the other CEO, the attendance, inter alia, of the heads of the competent corporate functions at board meetings (including at the request of individual directors), in order to provide appropriate in-depth analyses of the items on the agenda. Reference should be made to section 4.5 for information about the actions taken by the heads of the competent corporate functions;
- the participation of the members of the corporate bodies, after their appointment and during their term of office, in induction initiatives, including for training purposes and aimed at providing them with adequate knowledge of the business sectors in which the Company operates, of corporate trends and their



evolution, also with a view to the sustainable success of the Company, as well as of the principles of proper risk management and of the applicable regulatory and self-regulatory framework so as to develop and/or maintain adequate skills for monitoring sustainability issues. In this respect, reference should be made to section 4.4 of the Report;

- the adequacy and transparency of the Board's self-assessment process.
- Finally, the Chair of the Board of Directors ensured that the Board would be informed, during the earliest meeting held, on the development and significant issues covered by the dialogue that took place with all shareholders in 2024.

#### 4.9 Secretary to the Board of Directors

Articles 1.3 and 4 of the Board of Directors' Regulations, in compliance with Recommendation 18 of the Code, provide that the Board of Directors, upon proposal of the Chair, appoints and dismiss a Secretary and their deputy.

As per the Board of Directors' Regulations, the Secretary and their deputy may be chosen from among the members of the Board of Directors, the Company's managers or non-company persons and, as part of the tasks assigned to them (as summarised above), they must possess adequate professionalism and skills in the legal and corporate field, specifically with respect to the regulations applicable to listed companies and regulated markets.

Pursuant to the Board of Directors' Regulations, the Secretary supports the activities of the Chair and Deputy-Chair of the Board of Directors related to the proper functioning of the Board and provides the Board of Directors, with impartial assistance, legal assistance and advice on corporate governance matters, including in relation to the rights, powers, duties and tasks of directors.

The Secretary's duties include, inter alia, drafting the minutes of each meeting and transcribing them, as well as assisting the Chair (a) in preparing and making available pre-board information and supporting documentation for board meetings, (b) in defining training initiatives for directors and statutory auditors, (c) in ensuring the adequacy and transparency of the self-assessment process. Similar functions will be performed by the Remuneration Committee (and any other board committee that may be set up).

Based on the above, on 18 February 2021, the Board of Directors appointed Giulio Fumagalli Romario as Secretary, who, following his appointment, was confirmed on 11 May 2022 by the new Board of Directors, which, as already indicated, also granted him the powers of ordinary administration for Legal and Corporate Affairs. Giulio Fumagalli Romario has held this position since he joined the SOL Group, and, as shown by his *curriculum vitae*, he meets the professional requirements necessary to hold this office. Specifically, Giulio Fumagalli Romario: (i) since 1999, has been serving as the Company's Contact Person, being responsible for relations with Consob and Borsa Italiana S.p.A.; (ii) since 2010, he has been in charge of corporate affairs, with specific reference to relations with the aforesaid Authorities. Therefore, he gained considerable knowledge and experience in corporate law, corporate governance and issuer regulation.

Furthermore, the Board of Directors confirmed Roberto Mariotti as the deputy Secretary should the latter be absent, in his capacity as SOL Corporate Executive Director of Personnel and Legal Affairs. Indeed, according to the Board of Directors, Roberto Mariotti, by virtue of his specific skills, also meets the requirements of significant experience and professionalism to perform the activities required by this role. As a matter of fact, he has also acted as the Company's Contact Person since 1999 and was responsible for the relations with Consob and Borsa Italiana S.p.A..

In 2024, the Secretary attended all Board of Directors' meetings, providing impartial assistance and advice to the Board on every aspect relevant to the proper functioning of corporate governance and supporting the activities of the Chair of the Board of Directors, specifically with respect to the preparation and dissemination of pre-Board information, the coordination of board committees' activities with the activities of the Board of Directors, the participation of executives in Board of Directors' meetings, and the transparency and adequacy of the self-assessment process.

#### 4.10. Independent directors and lead independent director

##### 4.10.1 Independent directors

Immediately after the appointment and during the term of office, the Board of Directors, in the event circumstances relevant to independence and, in any case, at least once a year, based on the information provided by the parties concerned and the information available to the Company, checks that there is no reason for incompatibility, ineligibility and/or disqualification of the individual non-executive director - including pursuant to article 10 of the By-laws - and whether they meet the requirements of integrity and independence and any other requirements established by the law and regulations in force, as well as the Code.

The applicable procedure provides that the existence of the requirement be confirmed by the director when submitting the nomination, as well as when accepting the appointment, and be checked by the Board of Directors at the first meeting following the appointment. The results are then disclosed to the market.

On 11 May 2022, during the first meeting following its appointment, SOL Board of Directors confirmed the quantitative and qualitative criteria for assessing the significance of any business, financial or professional relationships or any additional remuneration relevant under the Code in order to assess the independence of directors and statutory auditors.

Specifically, under Recommendation 7, letter c) of the Code, the Board of Directors resolved that a commercial, financial or professional relationship is considered 'significant' if it envisages a total annual gross consideration in favour of: (i) the director or statutory auditor of the Company whose independence is at issue and/or of their respective Close Relatives (the "**Concerned Parties**"); (ii) companies controlled by the Concerned Parties or of which the Concerned Parties are Executive Directors (the "**Concerned Companies**"); and/or (iii) a firm or professional association or consulting firm of which the Concerned Parties are partners or associates (the "**Concerned Professional Organisations**"), the amount of which is equal to or greater than:

- 5% of the total annual income of the Concerned Party, in the case of commercial, financial or professional relationships held directly with the Concerned Parties;
- 2.5% of the total annual turnover of the Concerned Company or Concerned Professional Organisation, in the event of commercial, financial or professional relationships with the Concerned Companies or Concerned Professional Organisations.

In any event, a commercial, financial or professional relationship is considered 'significant' if the total annual gross remuneration exceeds:

- €150,000, in the case of commercial, financial or professional relationships held directly with Concerned Parties;
- €300,000 in the event of commercial, financial or professional relationships with Concerned Companies and/or Concerned Professional Organisations.

Based on the above, commercial, financial or professional relationships do not include the relationships deriving from positions on corporate bodies, committees or bodies of the Company, its parents or subsidiaries (including membership of boards of directors, board committees, control bodies, supervisory bodies, positions within such corporate bodies and committees and the position of sole auditor). Such relationships may instead be relevant for the purposes of additional remuneration as set out below.

For the purposes of Recommendation 7.d) of the Code, the Board of Directors decided that the following is considered "significant": additional remuneration received by the director or statutory auditor of SOL (or their immediate family members), as applicable, for additional positions in corporate bodies, committees or bodies of SOL, the parent and/or SOL subsidiaries, which, taken together, exceed the fixed annual gross remuneration for the office held by the director or statutory auditor whose independence is at issue in SOL (including, as the case may be, the annual gross remuneration for participating in board committees, as well as any remuneration provided for as Chair or Deputy Chair of the Board of Directors or as Chair of the Board of Statutory Auditors).

Based on the above, in accordance with the Q&As on the application of the Corporate Governance Code issued by Borsa Italiana S.p.A. ("**Q&As**"): (a) "fixed remuneration for the office" shall mean: (i) the annual remuneration set by the shareholders' meeting for all directors and statutory auditors or set by the board of

directors for all non-executive directors within the total amount resolved by the shareholders' meeting for the entire board of directors (ii) the annual remuneration, if any, allocated in respect of the specific office held by the individual non-executive director within the board of directors (Chair, Deputy Chair, Lead Independent Director) defined in accordance with the best practices set forth in the Code (i.e., taking into account the remuneration practices prevailing in the reference sectors and for companies of similar size, also considering comparable foreign experiences); (b) "remuneration provided for participating in board committees" shall mean any annual remuneration that the individual director may receive as part of their participation in board committees provided for by the Code or committees/organisations provided under applicable laws and regulations (including the participation of directors or statutory auditors in the supervisory body), excluding, in any case, the remuneration for the participation in any executive committees.

Finally, for the purposes of Recommendation 7.h of the Code, in line with the Q&As, "Close relative" shall mean the parents, children, spouses who are not legally separated and cohabiting partners.

In line with the principle of "substance over form" adopted by the Code, even if the above parameters of significance are not exceeded, a commercial, financial or professional relationship, as well as additional remuneration, may be deemed significant if, based on the genuine assessment of the relevant circumstances, according to the Board of Directors, it can affect the independent judgement and the independence of the Company's director or statutory auditor in the performance of their duties. Similarly, if the above parameters of significance are exceeded, following an examination of all relevant circumstances, the Board of Directors may genuinely assess that the commercial, financial or professional relationship or the additional remuneration does not compromise the independent judgement and the independence of the director or statutory auditor of the Company in the performance of their duties.

Furthermore, in accordance with the "comply or explain" criterion adopted by the Code, the Board of Directors may assess, on an individual basis, the possible existence of the independence requirements provided for by the Code for one or more directors or statutory auditors who fall in one of the situations of non-independence defined by the Code. When assessing independence, the Board of Directors shall provide adequate and transparent information on the reasons for the non-application of one or more criteria to each individual director or statutory auditor in accordance with the manner set out in the Code.

Therefore, at the same meeting on 11 May 2022, the Board:

- checked that all Directors met the requirements set forth by the law and the By-laws to become a director of SOL;
- checked that the Directors Anna Gervasoni, Cristina Grieco, Antonella Mansi, Elli Meleti and Erwin Paul Walter Rauhe met the independence requirements set forth in article 148.3 of the CLF, as referred to in article 147-ter.4 of the CLF, and in Recommendation 7 of the Code, as implemented by the qualitative and quantitative significance criteria approved on that date by the Board of Directors.

Subsequently, both on 14 November 2023 and on 14 November 2024, the Board of Directors again checked:

- that the Directors Cristina Grieco, Elli Meleti Antonella Mansi, Anna Gervasoni and Erwin Paul Walter Rauhe still met the independence requirements set forth in article 148.3 of the CLF, as referred to in article 147-ter.4 of the CLF;
- that the Directors Cristina Grieco, Elli Meleti, Antonella Mansi, Anna Gervasoni and Erwin Paul Walter Rauhe met the independence requirements pursuant to the Code, also based on the significance criteria established by the Board of Directors in its meeting of 11 May 2022 and in compliance with Recommendations 7 and 10 of the Code;
- the existence, for all the Directors, of the requirements of integrity pursuant to articles 147-quinquies.1 and 148.4 of the CLF, as well as the lack of reasons for ineligibility or disqualification provided for by article 2382 of the Italian Civil Code and article 10 of the By-laws.

In particular, on the basis of the criteria established by the Board of Directors, the Directors Anna Gervasoni, Cristina Grieco, Antonella Mansi, Elli Meleti and Erwin Paul Walter Rauhe confirmed, during those meetings, that they (i) have not, or did not have, in the past three years, directly or indirectly (e.g., through subsidiaries or companies of which they are an executive director, or as a partner of a professional firm or consulting company), a significant commercial, financial or professional relationship with the Company or its

subsidiaries, or with the related Executive Directors or senior management, or with a party that, also jointly with others through a shareholders' agreement, controls the Company or with the related Executive Directors or senior management; (ii) do not receive, or did not receive, in the past three years, from the Company, one of its subsidiaries or the parent, significant remuneration in addition to the fixed remuneration for the office and the remuneration for attending the committees recommended by the Code or provided for by the regulations in force.

Furthermore, the directors Anna Gervasoni and Antonella Mansi, as already noted in their respective statement of acceptance of office, have confirmed their independence pursuant to the Code even though they have already served as Directors of the Company for 9 years in the last 12 years (as per recommendation 7.e of the Code). In this respect, this requirement is a presumptive criterion from which the Company may depart under the comply or explain criterion if, on a substance over form basis, the director's independence is not effectively impacted by the existence of the obstructive circumstance and the director's independence of judgement can therefore be confirmed based on an assessment of their position and characteristics. In this respect, the *curricula vitae* of the Directors Anna Gervasoni and Antonella Mansi were carefully examined on that date. Specifically:

- Prof. Anna Gervasoni is Rector of the Cattaneo LIUC University of Varese and member of its Board of Directors, as well as full professor of economics and business management; she is also General Manager of AIFI (Italian Association of Private equity, venture capital and private debt) and holds positions as independent director in Lu.Ve S.p.A. and Banca Mediolanum S.p.A. where she is a member of various committees;
- Antonella Mansi is an entrepreneur at the Solmar Group where she holds directorships in various group companies; she is also Chair of Unicredit Leasing S.p.A. and a member of Unicredit's Advisory Board Italy and an independent director and member of the executive committee of Toscana Aeroporti S.p.A., as well as a director of Gesco S.p.A..

Based on the above, the Board of Directors noted that both Directors (Anna Gervasoni and Antonella Mansi) show high levels of professionalism, with first-rate knowledge and professional experience, in addition to in-depth and consolidated knowledge of the role and the tasks required. Moreover, their training, experience and activities still carried out in areas other than SOL, make them particularly competent in the field of sustainability, so much so that they were chosen as Chairs of the Remuneration Committee and the Risk and Sustainability Committee, respectively. Anna Gervasoni, in fact, as Rector of the LIUC University of Varese and Director General of AIFI (Italian Association of Private Equity, Venture Capital and Private Debt) deals with ESG issues on a daily basis. She also chairs the Centre of Excellence of UNECE - United Nation Economic Commission for Europe on sustainable finance for infrastructure and smart cities. Antonella Mansi has a long industrial experience in areas and territories particularly sensitive to sustainability issues.

Furthermore, Anna Gervasoni and Antonella Mansi do not have, either directly or indirectly, any personal, commercial, business or consultancy relationships with the Company, its subsidiaries or parents or with its Executive Directors.

For the same reasons, the effective independence of judgement of the Anna Gervasoni and Antonella Mansi in the performance of their previous administrative engagements through the significant contributions made to the work of the Board of Directors, and the in-depth knowledge of the specific issues of the Company and the SOL Group developed and consolidated during their term of office, were also noted. According to the Board of Directors, their knowledge is valuable and enables the Company to continue to benefit from valuable expertise in SOL's business and operations.

Pursuant to article 149, 1.c-bis) of the CLF, the Board of Statutory Auditors checked the correct application of the assessment criteria and procedures adopted by the Board of Directors to assess the independence of its members.

That said, on the basis of the declarations and evaluations made, most recently on 14 November 2024, the Board of Directors confirmed the continued existence of the independence requirements set forth in Article 148, paragraph 3, of the Consolidated Law on Finance, as referred to in Article 147-ter, paragraph 4, of the Consolidated Law on Finance, and in Recommendation no. 7 of the Corporate Governance Code, as implemented by the qualitative and quantitative significance criteria approved by the Board of Directors in its meeting of 11 May 2022, in the case of Directors Anna Gervasoni, Cristina Grieco, Antonella Mansi, Elli Meleti and Erwin Paul Walter Rauhe.

#### 4.10.2 Lead Independent Director

After assessing the independence of the above-mentioned directors, since the Chair of SOL Board of Directors is also the CEO and holds significant managerial powers, following the appointment of the new Board of Directors, on 11 May 2022, pursuant to recommendations 13 and 14 of the Code, the Board of Directors appointed Antonella Mansi as Lead Independent Director, entrusted with the following duties:

- coordinating the meetings of the independent directors and acting as the contact and coordinator of the requests and contributions of the non-executive directors and, in particular, of the independent ones;
- calling the independent directors at least once a year to discuss the issues relevant to the functioning of the Board of Directors or management, such as the adequacy of dialogue and information flows between executive and non-executive directors and sustainability issues;
- cooperating with the Chair of the Board of Directors to ensure that directors are provided with complete and timely information.

During 2024, the independent directors met once to review and approve the self-assessment questionnaire, which the Corporate Governance Code (Recommendations 21 and 22) requires at least every three years for the renewal of the board of directors. The Committee also discussed issues relevant to the functioning and management of the Board of Directors, such as the adequacy of dialogue and information flows between executive and non-executive directors, sustainability issues and initiatives, the positive effects of setting up a Control, Risk and Sustainability Committee pursuant to the Code and pre-Board information, noting their appreciation of the introduction of the IT platform that facilitates and brings forward the information needed for the board, as well as the wide range and the significant transparency of the information provided to board members and the effective possibility of freely further exploring and debating the various issues, also thanks to the direct and frequent contact with the managers in charge of the various corporate functions.

#### 4.11. Self-assessment of the Chair of the Board of Directors

Pursuant to principle XIV of the Code, it is noted that, under article 12.3 of the Board of Directors' Regulations, the Board periodically evaluates, through formalised procedures, its

effectiveness and the contribution made by individual directors. To this end, in view of its renewal, it carries out a formalised self-assessment process.

In view of the Shareholders' Meeting called on 11 May 2022 to appoint the new Board of Directors, the self-assessment process began in July 2021, using a questionnaire to facilitate board members' self-assessment of the adequate composition, competence and functioning of the Board and its Committees.

The questionnaire, which was previously submitted to and approved by the independent directors during their meeting on 27 October 2021 under the coordination of the Lead Independent Director, consisted of 29 questions and called for comments, proposals and/or suggestions for possible improvements of certain aspects concerning various topics.

The results of the questionnaire were examined by the Board of Directors in its meeting on 17 February 2022, during which the Board expressed a more than positive overall opinion regarding its composition (quantitative and qualitative), its functioning and the exercise of the functions assigned to it by the law, the By-laws and the Code, as well as the composition and functioning of its Committees. A similar opinion was expressed on the availability of time to commit to the role, specifically with respect to the preparation of meetings and the examination of the related documentation and further examination thereof.

Similarly, in view of the shareholders' meeting called on 14 May 2025 to elect the new Board of Directors, the self-assessment questionnaire was updated and expanded to 37 questions that also included the topics of artificial intelligence, cybersecurity and legal compliance, and was previously submitted to and approved by the independent directors meeting on 12 December 2024 under the coordination of the *Lead Independent Director*, to be then submitted to all directors

Subsequently, on 16 January 2025, the Board of Directors examined the results of the answers to the questionnaire and, at the end of the self-assessment process, expressed a more than positive opinion as to its

composition (quantitative and qualitative), its functioning and the exercise of the functions attributed to it by the Law, the By-laws and the Corporate Governance Code, as well as the composition and functioning of the Committees.



## 5. PROCESSING OF CORPORATE INFORMATION

### 5.1 Processing inside information.

With respect to the processing of corporate information, also pursuant to recommendation 1-f of the Code and based on the provisions of the Rules of the Markets organised and managed by Borsa Italiana, the Instructions accompanying the rules of the markets organised and managed by Borsa Italiana S.p.A. and the relevant provisions set forth in Regulation (EU) No. 596/2014 as amended ("**MAR**"), the CLF and the Issuers' Regulations, since 2006 the Company has adopted a procedure for the internal and external processing of documents and information concerning SOL and its subsidiaries (the "**Corporate Information Procedure**"), which was most recently updated by resolution of the Board of Directors on 15 February 2018.

Specifically, with respect to Confidential and/or Inside Information as defined in the Corporate Information Procedure, the internal and external communication of documents and information concerning the Company and the SOL Group is as follows:

- all recipients of the Corporate Information Procedure (including the Directors, Statutory Auditors and all employees in general of the SOL Group) must keep confidential the documents and Confidential and/or Inside Information acquired in the performance of their duties (if not already made public in the prescribed forms) and must comply with the Corporate Information Procedure; they are also bound to use the Confidential and/or Inside Information only in connection with their work and professional activity, function or office, and therefore, not to use it for personal reasons;
- the recipients shall never give interviews to the press or make statements in general that contain Confidential and/or Inside Information, which has not been included in press releases or documents already disclosed to the public in accordance with the Corporate Information Procedure;
- notwithstanding the above, anyone who becomes aware for any reason or cause of information that could be qualified as Confidential and/or Inside Information must report it to senior management through the hierarchical organisation;
- the Executive Directors (formerly Central Managers) of the SOL Group and the Managers of SOL subsidiaries (CEOs or Managers or Site Managers) who, as part of their duties, become directly or indirectly aware of Inside Information that might be disclosed to the public, shall promptly notify the General Management of SOL in writing (by fax or e-mail);
- the General Management of SOL, in turn, promptly reports the potential Inside Information to the CEOs, who are responsible for processing Inside Information - unless this situation does not take place during Board meetings - and who, in particular, shall evaluate the "materiality" of the information and decide whether to disclose it, except in the case of extraordinary transactions (such as mergers, acquisitions, capital increases, etc.) which require, in any case, a resolution of SOL Board of Directors. In this case - when Inside Information is identified during board meetings - the Board of Directors is responsible for disclosing the Inside Information;
- SOL CEOs prepare press releases on Inside Information concerning the Company and its subsidiaries to be disclosed to the public, assisted, for price sensitive press releases relating to accounting figures, by SOL Central Administrative and Financial Director who, also through the consultancy firm appointed for this purpose, handles relations with the media.
- All relations with the press and other media to disclose Inside Information must be expressly authorised by SOL CEOs and/or SOL Board of Directors and shall take place exclusively via SOL Central Administrative and Financial Director;
- once approved, the publication of press releases is handled by the Central Administrative and Financial Director, when they relate to accounting figures, and, in other cases, by SOL Contact persons for relations with Consob and Borsa Italiana S.p.A.. Press releases are published using the tools provided by Consob and/or Borsa Italiana S.p.A. and the regulations in force from time to time, also through the consultancy firm appointed for this purpose;
- once the procedure for the communication of the press releases has been completed, the above persons shall publish the press releases on the Company's website, where they shall remain available for at least five years or for any other term established by the regulations in force;
- SOL CEOs or the Board, when this situation arises during board meetings, shall decide whether to delay the public disclosure of Inside Information in compliance with the applicable regulatory provisions;
- in this case, in order to prevent access to the Inside Information by persons other than those who need it

to perform their duties, SOL CEOs shall ensure that all inside information and/or documents are physically stored in a data room, which may also be computerised, accessible only to those who are authorised to do so;

- SOL CEOs also inform those who have access to Inside Information about the legal and regulatory duties arising therefrom, also in accordance with the Procedure, and of the possible penalties that apply in the event of abuse or unauthorised disclosure of price-sensitive information;
- those who were unable to ensure the confidentiality of price-sensitive information must immediately notify SOL CEOs so that they may immediately disclose it to the public;
- the CEOs oversee the correct application of the provisions governing the processing of corporate information and compliance with the requirements of the Corporate Information Procedure. They shall also make all concerned parties aware of the Corporate Information Procedure.

The Corporate Information Procedure also regulates delays in disclosing Inside Information and the methods and criteria for keeping the register which lists all persons who, operating inside or outside SOL, by reason of their work or professional activity or by the functions they perform, may have access, on a regular or occasional basis, to Inside Information

The Corporate Information Procedure also regulates how such persons are duly informed of their inclusion in the above register and of the relevant obligations arising therefrom.

## 5.2 Internal dealing regulations

The Company replaced the "Internal Dealing Code of Conduct" which remained in force until 31 March 2006, and effective from 3 July 2016, also adopted an "Internal Dealing Procedure" in compliance, in particular, with Regulation (EU) No. 596/2014 ("MAR"), Implementing Regulation (EU) 2016/523 and Delegated Regulation (EU) No. 2016/522 (the "**Internal Dealing Procedure**").

The Internal Dealing Procedure was updated by resolution of the Board of Directors on 25 January 2018 to reflect the amendments subsequently introduced to the Issuers' Regulation and the guidelines issued by Consob in October 2017 on market abuse.

The Internal Dealing Procedure governs the disclosure requirements, the terms and conduct for transactions involving the Company's financial instruments carried out by anyone holding a stake equal to at least 10% of SOL share capital represented by shares with voting rights and any other person who controls SOL, as well as by members of SOL corporate bodies, persons performing management functions in SOL, executives who have regular access to inside information within their specific area of competence and have the power to make management decisions that may affect SOL development and future prospects, as well as by persons closely associated with such persons.

The Internal Dealing Procedure introduced limitations on the performance of the aforementioned transactions by relevant persons ("black-out periods") in the 30 calendar days preceding the announcement of an interim or year-end financial report that the Company is required to disclose.

During 2024, a communication was issued concerning transactions carried out by relevant persons.

The Internal Dealing Procedure and the internal dealing communications are published on the Company's website [www.solgroup.com](http://www.solgroup.com), in the "Governance" section, "Corporate documents" sub-section.

## **6. BOARD COMMITTEES**

### **(pursuant to article 123-bis.2.d) of the CLF)**

#### **6.1 Remuneration Committee.**

Since December 2001, the Board of Directors has formed a Remuneration Committee consisting of three directors.

Following its appointment, on 11 May 2022, the Board of Directors renewed the aforementioned Committee entirely comprised of non-executive and independent directors, at least one of whom has adequate knowledge and experience in financial matters or remuneration policies. At 31 December 2024 and at the date of the Report, the Remuneration Committee was composed as follows:

- Anna Gervasoni - Chair;
- Elli Meleti;
- Erwin Paul Walter Rauhe.

This Committee was appointed for the entire term of office of the current Board of Directors, i.e., until the date of the shareholders' meeting called to approve the financial statements at 31 December 2024.

The Remuneration Committee has the functions described in article 14 of the Board of Directors' Regulations.

Specifically, the Committee assists the Board of Directors in drawing up the remuneration policy, considering the remuneration practices typical of the reference sectors and for companies of similar size, complexity and international standing, also based on comparable foreign experiences, and puts forward proposals and expresses opinions or authorisations to the Board of Directors (i) in relation to the remuneration policy and any exceptions thereto, (ii) the remuneration of Executive Directors and other Directors with special duties, as well as (iii) the possible setting of performance goals related to the variable component of remuneration. The Board takes all this into account to set, in the absence of those directly concerned and after hearing the opinion of the Board of Statutory Auditors, the remuneration of the aforesaid Directors pursuant to article 2389 of the Italian Civil Code, or, if the Shareholders' Meeting determines a total remuneration including the portion for special engagements, the allocation of such total remuneration among the board members based on the powers and/or special engagements held by each of them. The Remuneration Committee also monitors the effective implementation of the remuneration policy and checks the effective achievement of performance goals. It also periodically assesses the adequacy and overall consistency of the remuneration policy and makes proposals to the Board of Directors regarding any share-based or other incentive remuneration plans for directors or executives.

On the recommendation of the CEOs, this Committee also puts forward proposals or opinions for setting the criteria for the remuneration of the Company's General Management; in this case, the Committee may propose to the CEOs the allocation of benefits or short- and/or medium-/long-term incentives aimed at promoting the Company's sustainable success, possibly also linked to non-financial parameters, consistently with the principles and criteria defined in the remuneration policy adopted in compliance with the ruling legislation, regulations and statutory provisions.

Pursuant to article 2.4 of SOL Procedure for Transactions with Related Parties, adopted by SOL with board resolution dated 16 October 2021, the Remuneration Committee performs the functions of the Committee for Transactions with Related Parties with reference to transactions pertaining to the remuneration of Directors and Key Managers or to the matters covered by the report on the remuneration policy and remuneration paid (including any exceptions). These functions were confirmed by the Board of Directors at its meeting on 11 May 2022.

The Remuneration Committee meets, when convened by its Chair, in the cases provided for by the provisions in force, as well as whenever the Chair deems it appropriate, at least once every six months, as well as when the Executive Directors or the Chair of the Board of Statutory Auditors or the Chair of the Board of Directors so request. The presence of the majority of the current members of the Remuneration Committee is required for the meetings of the Committee to be valid. The decisions of the Remuneration Committee are passed by the absolute majority of the members in office. Voting may not take place by proxy and each member is entitled to

one vote. The rules governing the functioning of the Board of Directors on convening, holding and taking minutes of meetings apply to the Committee, as long as they are compatible.

As part of its functions, the Remuneration Committee may access information and corporate functions and structures, ensuring appropriate functional and operational connections with them for the performance of the relevant tasks, and may avail of independent consultants within the limits of the financial resources made available by the Board of Directors for the performance of its tasks.

In 2024, the Remuneration Committee met four times with the attendance of all its members and in compliance with the procedures concerning the timeliness and adequacy of information provided to directors. The meetings lasted on average about one hour. Specifically, the Remuneration Committee met:

- on 14 March 2024, to discuss a first draft of the Report on remuneration policies and remuneration paid in 2023;
- on 21 March 2024, to discuss and approve the final draft of the Report on remuneration policies and remuneration paid in 2023 to be submitted to the Board of Directors and to express its opinion on the remuneration policy;
- on 14 May 2024 (i) to propose to the Board of Directors and the Board of Statutory Auditors the allocation of the fixed global gross remuneration for the members of the Board of Directors approved by the shareholders' meeting held on 10 May 2024, (ii) to propose to the Board of Directors and the Board of Statutory Auditors a new three-year Long Term Incentive (LTI) Plan for the years 2024 to 2026 reserved for the Executive Directors of SOL S.p.A, in compliance with the provisions of the Remuneration Policy and Compensation Report approved by the Shareholders' Meeting on 10 May 2024, (iii) for the verification of the results of the three-year LTI Plan 2021-2023 reserved to the Executive Directors, (iv) for the final verification of the MBO for the year 2023 reserved to the General Manager Andrea Monti, (v) for the proposal regarding the criteria and amounts of the MBO 2024 of the General Manager Andrea Monti;
- on 17 October 2024 for the award of an extraordinary one-off prize to the General Manager Andrea Monti for his personal contribution to the success of three important extraordinary acquisition transactions, and for the authorisation to sign with the same Mr. Andrea Monti a consultancy agreement for the period January-April 2025 following his resignation as General Manager on 31.12.2024.

The members of the Remuneration Committee were invited to attend the meetings of the Board of Statutory Auditors. All or some of whom attended all meetings. The Remuneration Committee also drew on the expertise of the Group's HR department. Minutes of the meetings were duly taken and the Chair of the Remuneration Committee reported thereon to the Board of Directors at the first convenient meeting. In carrying out its functions, the Remuneration Committee was entitled to access the information and corporate functions necessary to perform its duties and to avail of financial resources. However, the Committee did not use external consultants for its tasks.

Three meetings of the Remuneration Committee are scheduled for 2025. At 26 March 2025, the Remuneration Committee had met twice. Table 3 attached to the Report shows the attendance at Remuneration Committee meetings in 2024.

## 6.2 Nomination Committee

Again at its meeting of 11 May 2022, the Board of Directors confirmed its decision not to set up a Nomination Committee, based on the characteristics of the Company and, in particular, the fact that it is a company with concentrated-ownership as per the definition of the Code. Indeed, the Code provides this type of company with the option not to set up a Nomination Committee, assigning the relevant functions to the Board of Directors even when the company with concentrated ownership is a large company (Code Recommendation 16).

## 6.3 Control, Risk and Sustainability Committee

As already mentioned, starting from the year 2023, SOL became a 'large company' as per the definition of the Corporate Governance Code (see section 1.1). Therefore, at its meeting of 14 November 2023, the Board of Directors set up a Control, Risk and Sustainability Committee with responsibility for sustainability issues, which became effective on 1 January 2024, and provided that the Board of Statutory Auditors would also attend its meetings.

At the same meeting of 14 November 2023, the Board of Directors approved, also effective as of 1 January 2024, the amendments and additions to the provisions on the organisation of the internal control and risk management system approved by the Board of Directors and dating back to 11 May 2022, in order to:

- terminate the powers, duties and functions assigned to the Board of Directors as the body acting as the Control and Risk Committee;
- assign to the newly-established Control, Risk and Sustainability Committee the powers, duties and functions reserved to it by the new Board of Directors' Regulations which were approved on the same date; and
- approve an updated version of the provisions on the organisation of the internal control and risk management system that reflects the above amendments and additions.

Specifically, the Control, Risk and Sustainability Committee is composed of at least 3 (three) members, all non-executive, the majority of whom are independent pursuant to the Corporate Governance Code and is chaired by an independent director pursuant to the same criteria. As a whole, the Control, Risk and Sustainability Committee has adequate expertise in the business sector in which the Company operates in order to assess the relevant risks. At least one member of the Control, Risk and Sustainability Committee has adequate knowledge and experience in accounting and finance or risk management issues. These skills, knowledge and experience are assessed by the Board of Directors upon appointment.

On 1 January 2024, the Control, Risk and Sustainability Committee was composed as follows:

- Antonella Mansi - Chair;
- Cristina Grieco;
- Duccio Alberti.

This Committee was appointed for the entire term of office of the current Board of Directors, i.e., until the date of the next shareholders' meeting called to approve the financial statements at 31 December 2024.

The Control, Risk and Sustainability Committee is responsible for assisting the Board of Directors with the following tasks and functions:

- together with the manager in charge of financial reporting, the independent auditors and the Board of Statutory Auditors, to assess the correct application of the accounting policies and their consistency for the purpose of preparing the consolidated financial statements;
- to assess the suitability of periodic financial and non-financial information in correctly presenting the Company's business model, strategies, the impact of its activities and the performance achieved;
- to examine the content of periodic non-financial reporting relevant to the internal control and risk management system;
- to express opinions on specific issues covering the main business risks and support the evaluations and decisions of the Board of Directors concerning the management of risks deriving from detrimental facts which became known to the latter;
- to examine the reports prepared by the internal audit function;
- to monitor the independence, adequacy, effectiveness and efficiency of the internal audit function;
- where necessary, to ask the internal audit function to carry out checks on specific operating areas, concurrently informing the Chair of the Board of Statutory Auditors thereof;
- at least upon approval of the annual and interim financial reports, to report to the Board of Directors on its activities and on the adequacy of the internal control and risk management system.
- on behalf of the Board of Directors or the CEOs, to examine plans or reports, express opinions and conduct sustainability analyses;
- to assist the Board of Directors in reviewing and assessing sustainability policies, periodic non-financial reporting, materiality analysis and all aspects relating to the sustainability of the operations of the Company and its subsidiaries and the effects on the relevant stakeholders;
- to assist the Board of Directors in monitoring the implementation of the sustainability plans or policies adopted.

At its meeting of 15 February 2024, the Board of Directors approved the Rules of Procedure of the Control, Risk and Sustainability Committee and assigned it an annual budget.

Pursuant to its Rules of Procedure, the Control and Sustainability Risk Committee is convened by its Chair whenever necessary and, in any case, as often as necessary to ensure the proper performance of its functions;



as a rule, the Committee is convened at least quarterly. It also meets when requested by the Chair of the Board of Directors, the Chair of the Board of Auditors or the Director in charge of the Internal Control and Risk Management System.

The meetings are chaired by the Chair or, in the event of absence or impediment of the same, by another independent member.

Committee meetings are normally attended by the Board of Auditors and the Head of Internal Audit. Depending on the issues discussed and at the invitation of the Chair, the Managing Directors, the Director in charge of the Internal Control and Risk Management System, the Statutory Auditor, the General Managers, the Manager in charge of drawing up the accounting documents, the Supervisory Board and the heads of the other corporate functions involved and competent with respect to the agenda may attend.

The presence of the majority of its members is required for the meetings of the Committee to be valid. Resolutions are passed by a majority vote of those present, or unanimously if the Committee has three members and only two are present at the meeting.

Minutes of the Committee meetings are taken, signed by the person chairing the meeting and the secretary, and kept together with the supporting documentation.

The Committee Chair reports to the Board of Directors on the work of the Committee at least once every six months.

The Control, Risk and Sustainability Committee is called upon to perform the tasks assigned to it by the Corporate Governance Code and, in particular:

- assist and support the Board of Directors in evaluations and decisions related to the Company's Internal Control and Risk Management System (SCIGR) and in those related to the approval of periodic financial reports and the non-financial statement.
- assess, together with the manager in charge of financial reporting, the independent auditors and the Board of Statutory Auditors, the proper application of the accounting policies and their consistency for the purpose of preparing the consolidated financial statements;
- assess the suitability of periodic financial and non-financial information in terms of correctly representing the Company's business model, strategies, the impact of its activities and the performance achieved;
- to examine the content of periodic non-financial reporting relevant to the internal control and risk management system;
- express opinions on specific issues covering the main business risks and support the evaluations and decisions of the Board of Directors concerning the management of risks deriving from detrimental facts which became known to the latter;
- examine the reports prepared by the internal control function, the Data Protection Officer (DPO), the Antitrust Function, the SB and the annual work plans of these bodies;
- monitor the independence, adequacy, effectiveness and efficiency of the internal audit function;
- where necessary, ask the internal audit function to carry out checks on specific operating areas, concurrently informing the Chair of the Board of Statutory Auditors thereof;
- at least upon approval of the annual and interim financial reports, report to the Board of Directors on its activities and on the adequacy of the internal control and risk management system;

The Committee also supports the Board of Directors, in an advisory and propositional capacity and oversees sustainability issues related to the Group's activities. In particular, with the cooperation of the relevant corporate functions, the Committee:

- takes care of the assessment of the environmental, economic and social impacts resulting from business activity;
- expresses opinions on the company's environmental, social and governance (ESG) sustainability initiatives;
- monitors compliance with corporate rules on ESG issues;
- examines non-financial information prepared by the competent corporate functions;
- on the instructions of the Board of Directors, formulates opinions and proposals concerning specific issues of corporate social responsibility.

In order to perform its tasks, the Committee may be assisted by internal employees as well as, within the limits of a budget approved by the Board of Directors, external professionals. In performing its tasks, the Committee may:

- access the necessary information and to the relevant corporate functions on the various matters concerned;
- examine and discuss with management and the Head of Internal Audit the main corporate risks and the measures taken to prevent, monitor and control such risks.

Minutes of the meetings held in 2024 were duly taken and the Chair of the Control, Risk and Sustainability Committee reported thereon to the Board of Directors during the first convenient meeting. In carrying out its functions, the Control, Risk and Sustainability Committee is entitled to access the information and corporate functions necessary to perform its duties and to avail of financial resources and independent consultants (although it did not use any).

During 2024, the Audit, Risk and Sustainability Committee met eight times with an average duration of more than one hour. In 2025, 7 meetings are expected to take place and, as at 26 March 2025, 2 meetings have been held. Table 3 attached to the Report shows the attendance at Control, Risk and Sustainability Committee meetings in 2024.

For the sake of completeness, it is noted that, since 2006, the control system has been strengthened by setting up a Supervisory Body, also entrusted with the appropriate means and the necessary independence, which is responsible for monitoring compliance with the 231 Model, (ii) the Antitrust Compliance function appointed to oversee the Antitrust Compliance Programme adopted by the Company, and (iii) the DPO appointed pursuant to the personal data protection legislation, and, more recently, (iv) the Head of Anti-Corruption and (v) the Gender Equality and Inclusion Committee.

The internal control system is also supplemented by the Code of Ethics and by the directives, standards and procedures contained in the Integrated Quality, Safety and Environmental Management system adopted by SOL, which was ISO 45001-certified with respect to safety. A specific and complex operational structure is in place in this respect.

With respect to personal data protection, in compliance with the GDPR and Legislative decree no. 101/2018, SOL appointed a Data Protection Officer (DPO) for the Italian Group companies that need one and adopted a specific personal data protection policy in line with applicable legislation and the safeguards required by such legislation.

These documents and safeguards are, to all intents and purposes, an essential part of the control system.

For additional information about the Internal Control and Risk Management System, reference should be made to section 8 of the Report.

#### 6.4 Gender Equality and Inclusion Committee.

On 14 May 2024, the Board of Directors established the Gender Equality and Inclusion Committee, chaired by an independent director and comprising four other members (Group executives and managers) with expertise in sustainability and human resources management.

The Gender Equality Committee is the author of the Strategic Equality Plan and is therefore the corporate body that defines the objectives and coordinates the context and risk analysis activities. This Committee defines, for each theme identified by the Strategic Plan for Equality, objectives, KPIs, methods and criteria for the allocation of budgets and resources freely available to it for its own needs.

The Committee meets at predetermined intervals during the year, involves, from time to time, employees and/or expert consultants on the topics to be discussed and acquires, where necessary and/or appropriate, the opinion of workers' representatives.

The Gender Equality and Inclusion Committee constitutes the body for the management and monitoring of issues related to inclusion, gender equality and integration, and was also instrumental in obtaining the gender certification in accordance with UNI 125:2022 obtained on 29.10.2024, both by SOL and by Vivisol S.r.l.

The Committee has its own Rules of Procedure and its own budget; it holds office for a three-year period and can be re-elected; it met three times in 2024 and the same number of meetings are planned for 2025. Meetings are valid with the physical or on-line presence of a qualified majority (3 out of 5) of the members, are chaired by the Committee Chair and decisions are valid if adopted by a majority of the members. In the event of a tie, the will expressed by the Chair prevails.

## 7. REMUNERATION OF DIRECTORS

### 7.1 General policy for the remuneration of directors and key managers.

The Board of Directors of the Company, subject to the favourable opinion of the Remuneration Committee, approves SOL Report on the remuneration policy and remuneration paid (the "**Remuneration Report**") pursuant to article 123-ter of the CLF and article 84-quater of the Issuers' Regulation and the related disclosure template (template no. 7-bis, Annex 3A).

The Remuneration Report consists of two separate sections.

The first section covers the remuneration policy for members of the Board of Directors and key managers, as well as the members of the Board of Statutory Auditors of the Company, indicating the general principles and purposes pursued, the bodies involved and the procedures used for its adoption and implementation.

The second section provides an analytical description of the remuneration actually paid or in any case assigned to the above parties in the previous year by the Company and by SOL direct or indirect subsidiaries or associates. This section of the Remuneration Report adequately describes the individual items making up the remuneration of the above parties, including the schemes provided for in the event of termination of office or of employment, and highlights their consistency with the remuneration policy for the year.

The Remuneration Report also provides information on the investments held in the Company and its subsidiaries by members of the corporate bodies and key managers (and their spouses who are not legally separated and minor children), directly or through subsidiaries, trust companies or intermediaries, in accordance with Template 7-ter, Annex 3, Issuers' Regulation.

The Remuneration Report approved by the Board of Directors is submitted to the Shareholders' Meeting pursuant to articles 123-ter of the CLF and 84-quater of the Issuers' Regulation. Specifically:

- the remuneration policy described in the first section of the Remuneration Report is submitted to the binding vote of the Shareholders' Meeting in accordance with the provisions of article 123-ter.3-ter of the CLF;
- the report on the remuneration paid provided in the second section of the Remuneration Report is submitted to the non-binding vote of the Shareholders' Meeting in accordance with article 123-ter.6 of the CLF.

As described in the Remuneration Report, the Shareholders' Meeting resolves, pursuant to article 2389 of the Italian Civil Code and article 16 of the By-laws, on the following issues: (a) the remuneration of the members of the Board of Directors in the form of fixed and/or variable remuneration (including any profit-sharing and/or the allocation of the right to subscribe the Company's shares to be issued in the future at pre-set prices); or (b) the total annual remuneration due to the Board of Directors as a whole (including the Directors holding special offices), in which case the Board of Directors shall allocate this amount internally, after consulting with the Remuneration Committee and after hearing the opinion of the Board of Statutory Auditors.

Remuneration policies are functional to the pursuit of the Company's sustainable success and take into account the need to dispose of, retain and motivate people who have the skills and professionalism required by their role in the Company. For this purpose, in the Remuneration Report approved by the Shareholders' Meeting on 10 May 2024, the Board of Directors noted that, as of 2021, a three-year long-term variable remuneration plan has been in place (for the 2021-2023 period) for Executive Directors, directly linked to the achievement of pre-set financial and non-financial corporate objectives at the end of the three-year period. On the other hand, no share incentive plans or plans based on financial instruments were implemented. After the end of the first three-year LTI with the approval of the financial statements as of 31 December 2023, a new three-year monetary LTI was defined, valid for the financial years 2024, 2025 and 2026, addressed to the Executive Directors and linked to the achievement of certain medium/long-term financial and non-financial performance targets, to which an additional ESG parameter was added, linked to the objective of increasing the presence of female managers and senior managers in the Group. With this change, 30 per cent of the incentive is linked to ESG parameters and

specifically to (i) improving the severity index in the area of occupational safety, (ii) employment growth and, as mentioned, (iii) improving the presence of the least represented gender in management roles.

A similar approach was adopted for determining the MBOs of the Executive Board. In fact, the Remuneration Report also describes the short-term variable remuneration (*MBO*) linked to the Group's annual performance indicators that was implemented some time ago for the General Managers (and, as of March 2022, for the sole General Manager), who are deemed to be SOL's only key managers; for this variable remuneration, again as of 2021, non-financial indicators linked to ESG topics have been also included, and they have been given increasing importance over the years.

For additional information about the remuneration of SOL directors and key managers in 2024 and the relevant benchmarks used, reference should be made to section I of the Remuneration Report approved by the Shareholders in their meeting on 10 May 2024. For further information on the remuneration paid in 2024, reference should be made to section II of the Remuneration Report approved by the Board of Directors on 27 March 2025 and submitted to the vote of the Shareholders' Meeting convened on 14 May 2025.

The Remuneration Reports prepared by SOL from time to time are made available to the public at the Company's registered office, at the authorised storage mechanism ([www.emarketstorage.com](http://www.emarketstorage.com)) and on the Company's website at [www.solgroup.com](http://www.solgroup.com) in the "Governance" section, "Reports on Corporate Governance" sub-section.

#### 7.2 Directors' compensation in the event of resignation, dismissal or termination following a takeover bid (pursuant to article 123-bis.1.i of the CLF)

As also stated in the Report on the remuneration policy and remuneration paid approved by the Shareholders' Meeting on 10 May 2024, no agreements are in place between SOL and its directors that provide for compensation in the event of resignation or dismissal/termination without just cause or if the employment relationship is terminated as a result of a takeover bid.

On 31.12.2024, Mr. Andrea Monti ceased to hold office as the General Manager; in accordance with the above, no indemnity or benefit whatsoever was attributed or paid to him in connection with leaving office.



## 8. INTERNAL CONTROL AND RISK MANAGEMENT SYSTEM

### 8.1 Internal control and risk management system

On 11 May 2022, the Board of Directors approved the characteristics and guidelines of the internal control and risk management system, in implementation of the Code (principles XVIII-XX). At the time, the company did not qualify as a large company; consequently, it availed of the option not to set up a control and risk committee and assigned the relevant functions to the Board of Directors.

Subsequently, (as described in sections 1.1 and 3), the Company's capitalisation was such to qualify it as a "large company" within the meaning of the Code. Therefore, at its meeting of 14 November 2023, the Board of Directors, after appointing the Control, Risk and Sustainability Committee, consequently approved, also effective as of 1 January 2024, the amendments and additions to the provisions governing the organisation of the internal control and risk management system it had previously approved on 11 May 2022. The amendments and additions were approved in order to:

- (i) terminate the powers, duties and functions assigned to the Board of Directors as the body acting as the Control and Risk Committee;
- (ii) assign to the Control, Risk and Sustainability Committee the powers, duties and functions envisaged in the new Board of Directors' Regulations which were approved on the same date; and
- (iii) approve an updated version of the provisions on the organisation of the internal control and risk management system that reflects the above amendments and additions.

Specifically, on 14 November 2023, the Board of Directors approved the following provisions on the organisation of the internal control and risk management system:

- a. the internal control and risk management system consists of a set of rules,
  - procedures and organisational structures for an effective and efficient identification, measurement, management and monitoring of the main risks, aimed at contributing to the sustainable success of the Company;
- b. the Board of Directors defines the guidelines of the internal control and risk management system in accordance with the Company's strategies and annually assesses its adequacy and effectiveness;
- c. the Board of Directors defines the principles concerning the coordination and the flow of information among the parties involved in the internal control and risk management system. Such principles aim at maximising the effectiveness of the system itself, reducing the duplication of activities and ensuring the successful performance of the duties of the control body;
- d. specifically, the internal control and risk management system involves the parties listed below, each for the competences described below:
  - (i) the Board of Directors, which is entrusted with the following tasks and functions shall:
    - define the guidelines of the internal control and risk management system in accordance with the Company's strategies and annually assess its effectiveness and adequacy to the characteristics of the business and the risk profile;
    - establish the principles covering the coordination and information flows between the various entities involved in the internal control and risk management system in order to maximise the efficiency of the system itself, improve synergies between these entities, reduce the duplication of activities and ensure, overall, the successful performance of the control duties;
    - appoint and dismiss the Internal Audit Manager, setting their remuneration in line with company policies and ensuring that they are provided with adequate resources to perform their duties. If it decides to outsource all or part of the Internal Audit function, it ensures that such party meets adequate requirements of professionalism, independence and organisation and provides adequate reasons for such Decision in the Report on Corporate Governance;
    - approve, at least once a year, the work plan prepared by the Internal Audit Manager, after consulting the Board of Statutory Auditors and the CEOs;
    - assess the appropriateness of adopting measures to ensure the effectiveness and impartial judgement of any other corporate functions involved in the internal control and risk management system, checking that they have adequate professionalism and resources;
    - entrust the Board of Statutory Auditors or a specifically set-up committee with Supervisory Board functions. When the Supervisory Body does not coincide with the Board of Statutory Auditors, the Board

of Directors shall consider the possibility of appointing at least one non-executive director and/or a member of the Board of Statutory Auditors and/or the holder of legal or control functions of the Company to the Supervisory Body, in order to ensure coordination between the various parties involved in the internal control and risk management system;

- appoint from among the persons meeting the requirements of the provisions in force from time to time (the "**Provisions in Force**") and revoke, subject to the opinion of the Board of Statutory Auditors, the manager in charge of financial reporting, granting them adequate powers and means for exercising the tasks assigned to them under the Provisions in Force;
  - evaluate, after consulting the Board of Statutory Auditors, the results described by the independent auditors in their management letter, if any, and in the additional report addressed to the Board of Statutory Auditors;
  - describe, in the report on corporate governance, the main characteristics of the internal control and risk management system and the coordination between the parties involved, indicating the applicable models and national and international best practices, as well as expressing its overall assessment on the adequacy of the system and justifying the decisions made in respect of the composition of the Supervisory Body;
  - appoint and dismiss the director in charge of establishing and maintaining the internal control and risk management system;
- (ii) the Control, Risk and Sustainability Committee which is responsible for assisting the Board of Directors with the following tasks and functions:
- together with the manager in charge of financial reporting, the independent auditors and the Board of Statutory Auditors, to assess the correct application of the accounting policies and their consistency for the purpose of preparing the consolidated financial statements;
  - to assess the suitability of periodic financial and non-financial information in terms of correctly representing the Company's business model, strategies, the impact of its activities and the performance achieved;
  - to examine the content of periodic non-financial reporting relevant to the internal control and risk management system;
  - to express opinions on specific issues covering the main business risks and support the evaluations and decisions of the Board of Directors concerning the management of risks deriving from detrimental facts which became known to the latter;
  - to examine the reports prepared by the internal audit function;
  - to monitor the independence, adequacy, effectiveness and efficiency of the internal audit function;
  - where necessary, to ask the internal audit function to carry out checks on specific operating areas, concurrently informing the Chair of the Board of Statutory Auditors thereof;
  - at least upon approval of the annual and interim financial reports, to report to the Board of Directors on its activities and on the adequacy of the internal control and risk management system;
  - on behalf of the Board of Directors or CEOs, to examine plans or reports, express opinions and conduct sustainability analyses;
  - to assist the Board of Directors in reviewing and assessing sustainability policies, periodic non-financial reporting, materiality analysis and all aspects relating to the sustainability of the operations of the Company and its subsidiaries and the effects on the relevant stakeholders;
  - to assist the Board of Directors in monitoring the implementation of the sustainability plans or policies adopted.
- (iii) the Director in Charge of the Risk Management and Control System, to whom the following tasks and functions are assigned:
- to identify the main business risks, considering the characteristics of the activities performed by the Company and its subsidiaries, and submit them periodically for examination by the Board of Directors;
  - to implement the Board of Directors' strategic guidelines, dealing with the design, creation and management of the internal control and risk management system and constantly checking its adequacy and effectiveness, as well as adapting it to operating trends and the legislative and regulatory framework;
  - to ask, where deemed necessary, the Internal Audit department to conduct checks into specific operational areas and into compliance with internal rules and procedures in the execution of corporate operations, while notifying the Chairs of the Board of Directors and of the Board of Statutory Auditors; and
  - to promptly report to the Board of Directors, as the body entrusted with the functions typical of the control and risk committee, on issues and critical aspects affecting its operations or of which it has in any case been informed, so that the Board of Directors may take appropriate actions;

- (iv) the Internal Audit Manager, responsible for checking that the internal control and risk management system is functioning, adequate and consistent with the guidelines defined by the Board of Directors, which is entrusted with the following tasks and functions:
- check, both on an ongoing basis and in relation to specific needs and in compliance with best practices, the functioning and suitability of the internal control and risk management system, through an audit plan, approved by the Board of Directors, based on a structured process of analysis and prioritisation of the key risks;
  - prepare periodic reports providing information on their activities, the risk management approach, compliance with the risk mitigation plans, and an assessment of the suitability of the internal control and risk management system;
  - also at the request of the Board of Statutory Auditors, prepare timely reports on particularly significant events;
  - send the above reports to the Chairs of the Board of Statutory Auditors and the Board of Directors, as well as to the CEO in charge of setting up and maintaining the internal control system, except when such reports specifically refer to the activities of such parties; and
  - check, as part of the audit plan, the reliability of information systems including the accounting systems;
- (v) the Central Quality, Safety, Environment and Regulatory Affairs Department with its units, as well as the Budgeting and Control Department within the Central Administration and Finance Department;
- (vi) the Board of Statutory Auditors, which monitors the effectiveness of the internal control and risk management system and exchanges relevant information with the Board of Directors on a timely basis for the performance of its duties.

Subsequently, at its meeting of 15 February 2024, the Board of Directors approved the "Guidelines for the Internal Control and Risk Management System" with the changes proposed by the Control, Risk and Sustainability Committee, considering the System to be adequate and effective in relation to the characteristics of the Company and the risk profile assumed.

The Internal Control and Risk Management System consists of three levels.

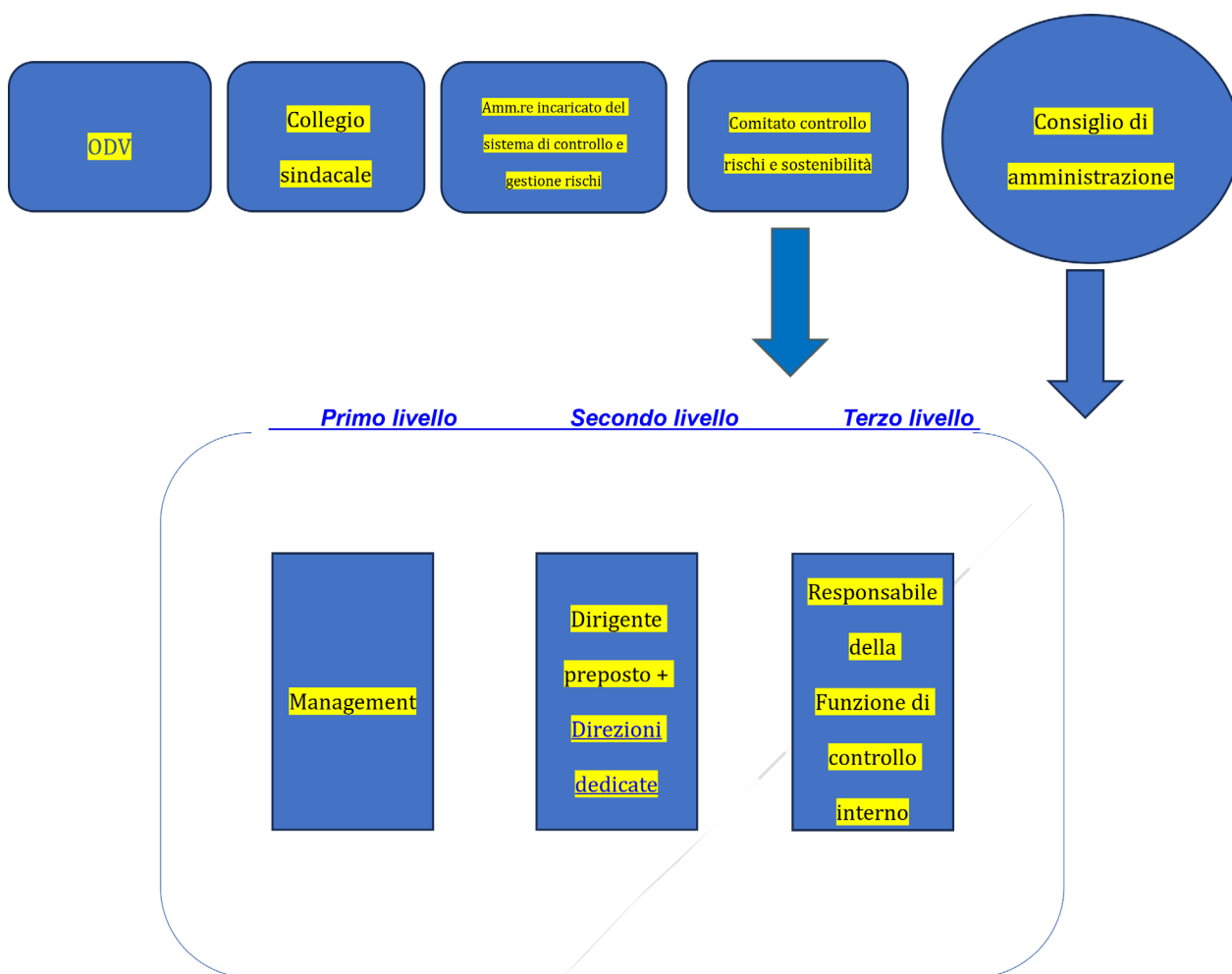
The first level of internal control is entrusted to the individual operational lines and consists of the checks performed by those who carry out certain activities in compliance with company procedures, as well as by those with supervisory responsibility. The first level of internal control makes it possible to ensure the smooth running of operational activities.

The second level of internal control is entrusted to structures that contribute to the definition of risk measurement methodologies, their identification, evaluation and control (Risk Management). The second level allows the verification of compliance with regulatory obligations (Compliance). In particular, this control is implemented with regard to:

- occupational safety, quality, pharmaceutical compliance, environmental and sustainability through the structures of the Corporate Executive Department for Quality, Safety, Environment, Sustainability and Regulatory Affairs;
- administrative, accounting and financial compliance, through the Financial Reporting Officer and the Departments reporting to the latter, including the Budgeting and Control Department and the Administrative Department;
- IT compliance through the Information Technology & Digitisation Department,
- legal and anti-corruption compliance, through the Legal Affairs Department,
- GDPR Privacy compliance, through the Group Data Protection Officer,
- Antitrust compliance, through the dedicated function appointed under the Antitrust Compliance Programme implemented by the Company,
- Anti-corruption compliance through its dedicated function.

The third level of internal control is entrusted to the Internal Control Department (ICD), which reports directly to the Board of Directors and has direct access to all information. The third level of internal control makes it possible to assess the functionality of the overall internal controls and risk management system, as well as to identify anomalous trends, violations of procedures and regulations also through the performance of specific audits.

An outline of the three levels of internal control is shown below.



## 8.2 Main features of SOL internal control and risk management system over financial reporting (pursuant to article 123-bis.2.b of the CLF).

### F8.2.1 Internal control and risk management system in relation to financial reporting

SOL has defined an internal control and risk management system over financial reporting in relation to the reporting process as a set of rules, procedures and organisational units aimed at the effective and efficient identification, measurement, management and monitoring of key risks, in order to contribute to the sustainable success of the Company.

With respect to the financial reporting process, these objectives can be identified in the reliability, accuracy, integrity and timeliness of reporting. Risk management is an integral part of the internal control system. The periodic evaluation of the internal control system over financial reporting is designed to ensure that the components of the system work together to achieve the above objectives.

SOL has implemented and maintains a set of administrative and accounting procedures to ensure that the internal control system over financial reporting is highly reliable.

The parent SOL ensures an efficient data exchange system with its subsidiaries and carries out the necessary coordination to ensure the correct application of the relevant accounting policies for the preparation of the consolidated financial statements and the half-year report.

SOL approach to the assessment, monitoring and continuous updating of the internal control system over financial reporting is based on a process that focuses on the areas of greatest risk and/or materiality, i.e., the risks of material misstatements in the financial statements and related documents. To this end, the Company:

- identifies and assesses the origin and likelihood of material misstatements in financial reporting;
- checks whether the existing key controls are adequately defined, in order to detect possible errors in financial reporting;
- carries out checks based on an assessment of the risk of error, with a focus on the areas of greatest risk.

The controls in place at group level can be classified as follows:

- controls operating at group or individual subsidiary level, such as allocation of responsibilities, powers and proxies, segregation of duties and allocation of access rights to IT applications;
- controls operating at process level, such as issuing authorisations, performing reconciliations and conducting audits.

The aim of these controls is to prevent irregularities that could lead to errors in financial reporting or to detect existing irregularities.

The effectiveness of the design and effective operation of key controls is checked via tests conducted by specific units and by the internal control function.

The results of the monitoring activities are periodically submitted to the Manager in Charge of Financial Reporting who reports on them to the Parent's CEOs and the Board of Statutory Auditors.

The Double Materiality process, coordinated by the Corporate Executive Department for Quality, Safety, Environment, Regulatory Affairs and Sustainability, was developed along two main lines: Impact Materiality and Financial Materiality.

The Group has followed the EFRAG IG1 guide: Materiality Assessment, to identify and assess impacts, risks and opportunities (IRO) related to sustainability issues. In the first phase, concerning the understanding of the context, industry benchmarks were carried out, supported by internal analyses. In the second phase, dedicated to the identification of IROs, the Group integrated several parameters to reflect the complexity of its business, considering the geographical and sectoral diversity of its operations. Specific methodologies have also been defined for assessing the materiality of impacts (impact materiality), as well as of risks and opportunities (financial materiality), described in the following paragraphs.

As part of the impact materiality assessment activities, the Corporate Executive Directorate for Quality, Safety, Environment, Regulatory Affairs and Sustainability has organised meetings with SOL Group management, during which participants were asked to quantify the magnitude of each identified impact, calculated as the product of the ratings attributed to the benefit (for positive impacts) or severity (for negative impacts) and the probability of occurrence.

In this regard, the following evaluation criteria have been adopted:

the benefit, rated on a range from 1 to 5, indicates the significance of the positive effect (scale) and the spread of the impact (magnitude);

severity, assessed on a range from 1 to 5, represents the significance of the negative effect (scale), the spread of the impact (magnitude) and the irreparable nature, without considering any mitigation actions taken by the Group;

the probability of occurrence was assessed on a range from 1 to 5 for potential impacts, and set at 5 for actual impacts.

In particular, with regard to negative impacts on human rights, priority was given to severity over likelihood.

In addition to the management's assessment, the Group opted to involve a sample of employees through interviews, who assessed all the Group's impacts following the methodology described above.

Once all the assessments were gathered, the Group consolidated the results and set the materiality threshold at "3" (material impact). It is important to emphasise that should an impact receive a rating higher than "3" by even one group of stakeholders, that impact would be considered material for reporting purposes.

In assessing financial materiality, the SOL Group considered both the magnitude of risks and opportunities and their likelihood. This process was conducted through specific interviews with risk owners as part of the structured "Enterprise Risk Management" (ERM) process implemented in the SOL Group. In line with the ERM methodology adopted by the Group, the approach adopted focused on assessing the magnitude of each risk in the most probable time horizon and estimating the probability, taking into account the residual risk and the effects of any mitigation measures adopted, and using EBITDA as an economic-financial parameter to measure the financial impact of risks and sustainability opportunities.

The SOL Group analysed how its dependencies influence risks and opportunities, identifying the natural, social and human resources involved in each aspect of the Double Materiality process. In this context, key risk and opportunity dependencies relevant to the Group include the management of security procedures, market trend



analysis, investor and shareholder relations, talent acquisition and infrastructure resilience, covering natural, social and human dimensions in an integrated manner.

At the end of the evaluation process, the SOL team calculated a score, multiplying the probability score by the risk/opportunity magnitude score, according to the following method:

A numerical assessment (on a scale of "1" to "5") of the extent of sustainability-related risks/opportunities;

A numerical assessment (on a scale of "1" to "5") of the probability of occurrence of sustainability-related risks and opportunities.

The threshold for assessing financial materiality was set conservatively a "5" (medium/low), on a scale ranging from "1" to "25". The results of the process were shared and approved by the Board of Directors of SOL.

### 8.2.2 Regulations applicable to subsidiaries based in non-EU countries

Pursuant to article 15 of the Market Regulation, after identifying the scope of application of the regulations in the Group, SOL noted that, under the Group's administrative-accounting and reporting systems, the accounting information prepared for the purpose of drawing up the consolidated financial statements may be made available to the public and are suitable for regularly providing management with the data necessary for the preparation of the consolidated financial statements, ensuring that the parent's independent auditors are provided with the data necessary for the audit.

The information flow to the main auditor, which covers several levels of the corporate control chain, is active throughout the year and is functional to the audit of the parent's annual and interim financial statements, was deemed effective.

Finally, SOL may always access the composition of the corporate bodies of its subsidiaries, with evidence of the corporate offices held, and provides for the centralised collection of formal documents relating to the By-laws and the granting of powers to corporate offices, as well as their regular updating.

### 8.3 Director in charge of the Internal Control and Risk Management System

On 18 February 2021, the Board of Directors appointed the CEO Marco Annoni as Director in charge of the Internal Control and Risk Management System, subsequently confirmed by the newly elected Board of Directors on 11 May 2022. Specifically, the Director in charge of the Internal Control and Risk Management System was assigned the duties and functions described for that role in section 8.1.

### 8.4 Internal Audit Manager

On 30 March 2023, the Board of Directors appointed Mr. Alessandro Castelli to Head of Internal Audit. Mr. Alessandro Castelli, a former SOL executive, has gained significant knowledge and experience in the operations and corporate organisation of SOL and its subsidiaries, particularly with respect to internal control and risk management. Mr. Castelli contributed to the set-up of the SOL Group's Integrated Management System, which comprises all the directives, rules and internal procedures aimed at governing the SOL Group's activities, and actively participated in identifying the SOL Group's main business risks, defining audit plans, conducting audits and reporting to the other supervisory bodies. The decision to engage an external consultant was due, on the one hand, to the lack of suitable profiles within the Company to fill this position and, on the other, to the strong experience, professionalism and competence of Mr. Castelli with respect to risk assessment and audit activities. As part of his duties, the Internal Audit Manager may avail of an operational unit consisting of appropriately qualified SOL employees, in addition to other employees from other departments of the SOL Group for specific needs.

Specifically, the Internal Audit Manager must check that the internal control and risk management system is functioning, adequate and consistent with the guidelines defined by the Board of Directors.

He is assigned the following tasks and functions described for this function in section 8.1:

With respect to the above-mentioned purposes, the Internal Audit Manager performs, inter alia, the following activities:

- checks, at each operational level, to identify and formalise the tasks and responsibilities of the various

- functions, specifically those relating to the control and elimination of any irregularities detected;
- checks over information systems and reporting procedures at different management levels in order to ensure their reliability;
- checks over the application of the laws and regulations in force, the By-laws, the resolutions of the corporate bodies and internal regulations and anything else established by the General Management for the proper functioning of the Company and its subsidiaries;
- collaboration with other operational functions in drafting circulars and operational and safety regulations;
- checks over prevention rules and insurance precautions for the effectiveness and protection of the plants and activities in general of the Company and its subsidiaries, and for the proper management of operations with third parties;
- checks that the irregularities identified by the operating units, the internal control function or other units responsible for controls are promptly brought to the attention of the relevant bodies of the Company and dealt with immediately;
- draft and update the rules and service regulations covering controls in agreement with the individual functions involved.

The Internal Audit Manager does not report hierarchically to any manager of operational areas, nor to General Management, rather directly to the Board of Directors; also, he reports on his work to the Control, Risk and Sustainability Committee and, at least once every six months to the Managing Directors and the Statutory Auditors and, in any case, when approving the half-year financial report and the draft financial statements. The Internal Audit Manager has direct access to all information relevant to the performance of his tasks. The control activity can also be performed with the support of external consultants and/or employees of the individual operating units and also extends to the branches and subsidiaries in Italy and abroad.

On 27 March 2024, the Board of Directors, with the favourable opinion of the Managing Directors and the Board of Statutory Auditors, approved the Audit Plan of the Internal Audit Manager for 2024, already examined by the Control, Risk and Sustainability Committee.

In particular, the main activities carried out by the Internal Audit Manager in 2024 included:

- quarterly monitoring of certain system indicators and control of the progress of the main projects commenced by the operating units;
- audits carried out on the various units and at the Group's local offices in the Technical Gases, Biotechnologies and Home-care areas on the ratios set out in the approved Audit Plan, also based on the analysis of the risk context at SOL Group level drawn up by the Central Quality, Safety, Environment and Regulatory Affairs Department;
- checks over the application of procedures and any critical issues arising from written customer reports and/or complaints;
- periodic coordination meeting with the Supervisory Body and joint review of certain audit activities completed in the first quarter;

*Whistleblowing* activities, given that the Head of Internal Audit is also the Head of Reporting Management with reference to Group companies activated on the platform for the collection and management of reports.

As a result of the activities carried out in 2024, the Head of Internal Audit found that the reliability and integrity of the data and information collected maintained a satisfactory level in relation to the size, structure and risk of the SOL Group. It is also confirmed that business processes are constantly monitored and their efficiency is systematically measured. The main units and services operate in accordance with laws, applicable regulations and internal plans and programmes. Corrective and improvement actions are regularly implemented.

In light of the aforementioned checks and the indications of the Head of Internal Audit, the Risk Control and Sustainability Committee confirmed the adequacy of the internal control and risk management system at present.

### 8.5 The 231 Model

Since 11 November 2005, via its Board of Directors, SOL has adopted the 231 Model, which prevents the crimes covered by the 231 Decree, whose risk had been preventively and appropriately assessed in relation to the sensitive activities it carries out, and the instrumental or support processes, also appointing its own Supervisory Body (the "SB"), responsible for checking and controlling the effective implementation of the 231 Model.

The 231 Model has been gradually updated to reflect the crimes that, after 2005, were included among the predicate crimes covered by the 231 Decree, specifically the crimes of manslaughter and grievous and very grievous bodily harm (articles 589 and 590 of the Criminal Code) in breach of accident prevention and health and hygiene at work regulations, the environmental crimes introduced by Legislative decree no. 121/2011, the employment of foreign citizens whose stay is irregular, sanctioned by Legislative decree no. 109/2012, the crime of undue inducement to give or promise an advantage and the crime of bribery between private individuals introduced by Law no. 190/2012, the new environmental crimes following Law no. 68/2015, self-laundering which was included under predicate crimes by Law no. 186/2014, the crimes of racism and xenophobia introduced by article 5.2 of Law no. 167/2017, as well as the more recent crimes of bribery between private individuals, trafficking in illicit influence, fraud in trade and, above all, tax crimes. The sixth edition of the Model 231, dated May 2021, has taken into account the above crimes that were included in the list of crimes entailing the administrative liability of entities up to that date, as well as the experience gained, the audits performed and the evolution of the company organisation. Further crimes were subsequently added by the legislator to the list of crimes entailing corporate liability, and other amendments were made to the 231 Decree, e.g., with respect to penalties.

In addition, Decree Law 24/2023 on the so-called Whistleblowing provided for its regulation within the 231 Model, while the most recent case law on the subject has recommended that the Code of Ethics be one with the 231 Model.

Accordingly, on 13 June 2024, the Board of Directors, at the proposal of the Supervisory Board, approved the seventh edition of Model 231, which was supplemented with three new sections, while eight sections were updated according to the latest regulatory changes. In particular, in addition to a specific section in the General Part devoted to Whistleblowing under Decree Law 24/2023, new sections of the Special Part have been introduced concerning offences of fraud in sporting competitions and games of chance, offences relating to non-cash payment instruments and fraudulent transfer of assets, and offences against cultural heritage. In addition, for offences in which the Company is most at risk, a more detailed description has been provided; these include offences against the public administration (Section 1), corporate offences (Section 4) and tax offences (Section 5).

Together with the original adoption of the 231 Model, SOL, also in its role as the parent, approved a Code of Ethics, which also came into force on 1 January 2006. A new version of the Group Code of Ethics was subsequently approved by the Board of Directors on 14 September 2017, and it is still in force. This document not only is an integral part of the above 231 Model (included in the same), but is also individually important as it provides the SOL Group with guidelines to be complied with by all the Italian and foreign group companies when managing their operations, therefore including those that have not their own 231 Model.

The 231 Model and the Code of Ethics are available on the Company's website ([www.solgroup.com](http://www.solgroup.com)), in the "Governance" section "*Corporate Documents - Organisation, Management and Control Model*" and "*Code of Ethics*" sub-sections, respectively.

The 231 Model consists of:

- a) the Code of Ethics
- b) a General Part which:
  - describes the basics of the 231 Model;
  - identifies the parties responsible for approving, supplementing, implementing and periodically updating the 231 Model, as well as for checking its functioning;
  - identifies the Supervisory Body, noting its characteristics of independence and autonomy and its duties and powers;
  - governs Whistleblowing reports in a specific chapter;
  - defines the functioning and verification mechanisms of the 231 Model, also with respect to the periodic reports that the organisational structure must send to the Supervisory Body in order to enable the latter to monitor the application of the 231 Model;
  - provides for information, awareness-raising and dissemination activities of the 231 Model among employees and third parties involved in the operations of the Company;
  - defines the general principles underlying the disciplinary system adopted in the event of breaches of the 231 Model and the related penalties;

- c) a Special Part containing the description of all offences involving the administrative liability of the Entity through 20 specific sections. The purpose of the Special Part is to ensure that all recipients adopt rules of conduct that comply with its provisions and the related documents (rules, procedures, directives, protocols), in order to prevent the occurrence of the relevant crimes. Specifically the aim of the Special Part is to:
- identify, for each crime, the areas of activity at risk, i.e., those areas of the Company's activities that are deemed "sensitive" and the underlying processes that might lead to the commission of a crime;
  - state and/or recall the rules of conduct that the recipients of the 231 Model must comply with for the purposes of its correct application;
  - provide the SB and, if necessary, the heads of the corporate functions cooperating with the SB, with the tools necessary to carry out control, monitoring and verification activities.

Given the peculiar characteristics of the crimes entailing corporate liability, those relating to occupational health and safety are covered by a specific section included in the Special Part, in addition to the previous 20 sections describing all other crimes entailing the corporate liability. In that section, the Company notes that, in accordance with the provisions of Legislative decree no. 81/2008 ("Consolidated Law on the Protection of Health and Safety in the Workplace"), it has adopted a management system compliant with the ISO 45001 standard, certified by third-parties.

On 30 March 2022, the Board of Directors appointed Luigi Maria Rocca as Chair of the SB for a period of time equal to the Board of Directors' term of office, i.e., until the Shareholders' Meeting of 11 May 2022 called to appoint a new Board of Directors. On 11 May 2022, the newly elected Board of Directors confirmed the composition of the SB, comprised of the Chair Luigi Maria Rocca, Roberto Mariotti, Corporate Executive Director of Legal Affairs, and Vincenzo Camparada, an external consultant with consolidated experience and expertise in risk management, for three years, i.e., until the date of the Shareholders' Meeting called to approve the financial statements at 31 December 2024, unless revoked or resigned (and in any case, until the date of appointment and acceptance of office by the next members of the SB). Prof. Luigi Maria Rocca is a *professore a contratto* [adjunct] of 'Organisational Models under Legislative Decree 231/01' at the Suor Orsola Benincasa University of Naples and Director of the Master in Corporate Governance and Compliance 231 of the Promos-Unisob Naples consortium.

According to SOL, this composition, which sees an external Chair, with sector experience, assisted by a Company manager with legal experience and expertise and a consultant with proven experience and expertise in safety and risk management issues, is the most appropriate for the tasks assigned to this body by the applicable legislation and best guarantees the requirements of autonomy and independence, as well as professionalism and competence that the SB must embody.

The SB is vested with autonomous powers of initiative and control. Specifically, the SB:

- carries out inspection activities;
- has access to all documents concerning the 231 Model;
- checks the efficiency and effectiveness of the 231 Model;
- checks compliance with the methods and procedures laid down in the 231 Model and its protocols and detects any behavioural gaps that may emerge from the analysis of the information flows and reports to which all department heads are subject;
- maintains, checks and updates the map of sensitive activities;
- coordinates with other corporate functions to: (i) improve monitoring of the most sensitive activities, (ii) plan information and personnel training, (iii) apply possible sanctions, (iv) appropriately disseminate the 231 Model and the Code of Ethics;
- makes proposals to the Board of Directors for updating and adjusting the 231 Model in place, to be implemented by making the amendments and additions that may be necessary in the event of: (i) significant breaches of the 231 Model, (ii) significant changes in the internal structure of the Company and/or the performance of its business operations, (iii) regulatory changes;
- informs the Board of Directors about the appropriate measures to be adopted for assessed breaches of the 231 Model that may result in the liability of the Company;
- prepares and continuously updates, in coordination with the relevant corporate function, SOL's website and intranet providing all information relating to the 231 Decree and the 231 Model;
- monitors initiatives for the dissemination and understanding of the 231 Model and prepares any internal documentation necessary for its effective implementation, providing instructions for use, clarifications or updates of the 231 Model;

- ensures the functional link with the SBs appointed by the other group companies and provides them with cooperation;
- on the report of the Whistleblowing manager, handles those reports concerning the possible occurrence of the crimes covered by the 231 Decree.

Because of the peculiar nature of the functions assigned to the SB and the specific professional characteristics required, the SB may perform its duties by using, first and foremost, the internal control function and the Company's other internal units and external consultants. In this respect, it is assigned its own spending budget.

With respect to the internal control systems currently in place, it is noted that the activities of the Company and, more generally, of the Group, are carried out on the basis of directives, procedures and standards issued as part of a certified and integrated Corporate Quality, Safety and Environmental Management System.

These tools are supplemented by the principles and behavioural indications provided in the Code of Ethics, the 231 Model and the related protocols, in addition to the Antitrust Compliance Manual, the Anti-Corruption Code and the policies adopted by the Company and the Group.

In fact, as indicated in Paragraph 3 above, on 14 November 2023, SOL's Board of Directors approved an Anti-Corruption Code, providing all those working for the SOL Group with an easy-to-consult tool that, in addition to that set out in the Code of Ethics, the 231 Model and the Integrated Management System Rules and Procedures, emphasises corruption-related episodes and the rules of conduct in the main risk areas and in the instrumental ones. The Code is a tool for combating active and passive corruption that the Company and the Group intend to conduct in all situations and contexts indicated in ESRS Principle G1.

Again in accordance with the aforementioned Principle, we also recall the provisions of the Code of Ethics concerning the criteria for managing relations with suppliers and public authorities, which are based on criteria of impartiality, fairness, loyalty and transparency.

### 8.6 Independent Auditors

Pursuant to Legislative decree no. 39/2010, the Ordinary Shareholders' Meeting of 12 May 2017 assigned Deloitte & Touche S.p.A., with registered office in Milan, Via Tortona 25, the engagement to audit the separate and consolidated financial statements for the nine-year period 2016-2024, and to review the condensed half-year financial statements, including checking that the accounting records are duly kept and signing the tax returns.

Therefore, the engagement will end with the approval of the financial statements at 31 December 2024.

In order to allow for an efficient handover between the outgoing auditor and the new auditor, as well as compliance with the time limits set to safeguard the auditor's independence, the Shareholders' Meeting of 10 May 2024, upon the reasoned proposal of the auditing body (pursuant to Article 13, paragraph 1, Legislative Decree 39/2010), resolved to entrust "EY S.p.A.", with registered office in Milan, via Meravigli 16, with auditing SOL S.p.A.'s accounts pursuant to Legislative Decree No. 39 of 27 January 2010 and Regulation (EU) No. 537/2014 of the European Parliament and of the Council of 16 April 2014, for a duration of nine financial years, namely, for the financial years 2025-2033 (subject to any causes of early termination), determining the relevant fee.

In 2024, the Board of Directors, after hearing the Board of Statutory Auditors, assessed the findings of the independent auditors included in the additional report addressed to the Board of Statutory Auditors. The independent auditors did not issue a management letter.

### 8.7 Manager in charge of Financial Reporting

In accordance with article 154-*bis* of the CLF, article 11 of the By-laws provides that the Board of Directors shall appoint and dismiss the Manager in charge of Financial Reporting, entrusting them with adequate powers and means to perform the tasks assigned to them by the law.

Article 11 of the By-laws also identifies the subjective and professional requirements that the Manager in charge of Financial Reporting must possess, namely, a degree in economics or law and specific experience in accounting



and/or finance and/or management control or similar subjects.

On 11 September 2007, the Board of Directors appointed Marco Filippi as Manager in charge of Financial Reporting. Mr. Filippi still holds this role in addition to that of Executive Corporate Director of Administration and Finance of the SOL Group. As part of this new position, he was entrusted with greater powers (including expenditure) and, in particular, he must (i) establish the most appropriate administrative and accounting procedures for the preparation of corporate accounting documents, checking their application; and (ii) make the declarations and attestations required by law including, for 2024, the declaration of conformity on the consolidated sustainability report under Legislative Decree 125/2024.

It should also be noted that the Shareholders' Meeting to be held on 14 May 2025 included an extraordinary session to resolve on an agenda that envisages amendments to Article 11 of the Articles of Association in order to provide that the declaration of conformity of sustainability reporting pursuant to Legislative Decree 125 of 6 September 2024, may be rendered by a manager other than the manager responsible for preparing the company's financial reports who has specific expertise in sustainability reporting.

## 9. INTERESTS OF DIRECTORS AND RELATED PARTY TRANSACTIONS

On 12 November 2010, the Company's Board of Directors adopted the Procedure for Transactions with Related Parties, with the favourable opinion of the Independent Director. This Procedure was subsequently amended by the Board of Directors on 29 March 2017, after hearing the favourable opinion of a committee comprising three independent directors. On 16 June 2021, the Procedure was further amended by the Board of Directors to reflect the changes introduced to the Related Parties Regulation by Consob (with resolution no. 21624 of 10 December 2020). These amendments became effective on 1 July 2021.

The draft Procedure was preliminarily examined and discussed by the Related Party Transactions Committee, which met on 11 June 2021 before the Board of Statutory Auditors and the relevant Company units.

The Procedure:

- identifies more accurately the various types of transactions, the parties involved in their approval, the cases of exemption and the information and communication flows to be complied with;
- reduces the low thresholds to (i) below €150,000 when the counterparty is a natural person (or a company controlled by it) and (ii) below €300,000 in the other cases;
- provides, in an annex, (i) the definitions of "related parties" and "related party transactions", and some functional definitions, as per the international financial reporting standards in force following Consob dynamic reference, and (ii) the criteria for determining the materiality thresholds to identify the most significant transactions in compliance with the regulations in force;
- provides that the directors who have an interest in the related-party transaction being assessed, on their own behalf or on behalf of third parties, that is in conflict with that of the Company, shall abstain from voting on it;
- introduces procedures to check the exemptions applied to the ordinary most significant transactions carried out at market conditions or ordinary terms;
- requires the Manager in charge of Financial Reporting to prepare an annual report to the Secretary to the Board of Directors on the most significant transactions carried out during the exemption period. This report is forwarded to the Related Party Transactions Committee.

On 11 May 2022, the Board of Directors confirmed the set-up of a Related Party Transactions Committee, appointing the independent directors Anna Gervasoni, Antonella Mansi and Cristina Grieco as its members, and designating Anna Gervasoni as its Chair. Furthermore, on the same date, the Board of Directors also confirmed that, pursuant to article 2.4 of the Procedure, the Remuneration Committee performs the functions of the Related Party Transactions Committee for transactions pertaining to the remuneration of Directors and General Managers or matters covered by the Report on the remuneration policy and remuneration paid (including any exceptions).

In 2024, the Related Parties Committee held only one meeting in which, by virtue of the provisions of Article 11 of the RPT Procedure (which implements the recommendations of Article 6.1 of Consob Communication No. DEM/10078683 of 24-09-2010), proceeded to the three-year review of said Procedure, expressing its opinion in favour of confirming the RPT Procedure of SOL in force to date without the need to make changes or additions, to be submitted to the Board of Directors. Therefore, on 14 November 2024, the Board of Directors, having heard the favourable opinion of the Related Party Transactions Committee, confirmed the SOL Related Party Transaction Procedure in force to date without the need for any amendments or additions.

The Procedure is published on the Company's website ([www.solgroup.com](http://www.solgroup.com)), in the "Governance" section, "Corporate Documents - Procedure for Transactions with Related Parties" sub-section.

## 10. APPOINTMENT OF STATUTORY AUDITORS

With respect to the appointment of the members of the Board of Statutory Auditors, article 17 of the By-laws, as amended by the Shareholders' Meeting of 10 May 2024, provides that:

- a Board of Statutory Auditors be appointed, consisting of three standing auditors and two alternate auditors, by means of list voting, which allows for the appointment of one standing auditor and one alternate auditor from minority lists and assigns the chair of the Board of Statutory Auditors to the candidate drawn from the minority list;
- each list shall consist of two sections: one for candidates for the office of standing auditor and the other for candidates for the office of alternate auditor; each list shall include up to five candidates listed by a progressive number and, in any case, at least one candidate for the office of standing auditor and another one for the office of alternate auditor;
- the lists presenting a total number of candidates equal to or greater than three must contain in both sections (both the one referring to the standing auditor candidates and the one referring to the alternate auditor candidates) a number of auditor candidates belonging to the least represented gender (as rounded off, if applicable) that complies with the requirements of the statutory and regulatory provisions in force for the time being concerning gender balance;
- the minimum percentage of share capital to submit lists of candidates for the office of statutory auditor - similarly to the provisions governing the submission of lists for the appointment of members of the board of directors - is set at 1% of the share capital represented by shares with voting rights in the shareholders' meetings that resolve on the appointment of corporate offices (the same percentage as that set forth in Consob decision no. 76 of 30 January 2023);
- each Shareholder may not submit or participate in submitting or vote for more than one list, including through intermediaries or trust companies, under penalty of ineligibility;
- the lists must be deposited at the registered office at least 25 days prior to the date set for the Shareholders' Meeting on first call;
- if no lists are submitted by the aforementioned deadline, or if only one list is submitted (or if several lists are submitted that are all connected with the majority shareholder), the lists may be submitted until the deadline established by the regulations in force and, in this case, the minimum shareholding percentage to submit the lists is halved, i.e., 0.5% of the share capital;
- Shareholders must also produce, under their own responsibility, at the same time as filing the list or subsequent to the filing of the list, provided that it is within the deadline set for its publication, a copy of the appropriate certification issued pursuant to the laws in force by an authorised intermediary, in order to prove their identity and the ownership of the number of shares necessary for the submission of the lists;
- all lists must be accompanied:
  - by information about the identity of the Shareholders who submitted the lists, stating the total percentage shareholding owned;
  - the professional curricula of the candidates and the statements by which the individual candidates accept their candidacy and declare, under their own responsibility, the non-existence of causes of ineligibility and/or incompatibility envisaged by the laws or regulations in force as well as the existence of any requirements set by the laws or regulations applicable to members of the Board of Statutory Auditors;
- the lists submitted by minority Shareholders must be accompanied by a statement certifying the lack of any relationship, as provided for by the laws in force, with Shareholders who also jointly hold a controlling or relative majority interest.

The Board of Statutory Auditors shall be elected, in brief, as follows (and without prejudice to the provisions on gender balance set out below):

- if two or more lists of candidates are submitted,
  - a) two standing auditors and one alternate auditor are taken from the list which obtained the highest number of votes, based on the progressive order in which they are listed;
  - b) one standing auditor who will chair the Board of Statutory Auditors from among the remaining lists that are not connected in any way, not even indirectly, with the Shareholders who submitted or voted for the list that obtained most votes, and one alternate auditor, in the progressive order in which they are listed on the list;

- c) in the event of a tie between the lists referred to in point b) above, a new vote shall be held by the entire Shareholders' Meeting, and the first candidates on the list obtaining a simple majority of votes shall be elected standing auditor - who will chair the Board of Statutory Auditors - and one alternate auditor;
- d) if the above methods do not ensure a composition of the Board of Statutory Auditors that complies with the gender balance regulations applicable from time to time, the necessary replacements will be made from the list that obtained the majority of votes and according to the progressive order in which the candidates are listed;
- if only one list of five candidates has been submitted, all standing auditors and alternate auditors shall be drawn from this list, respecting the gender balance provided for by the regulations in force from time to time, and the first candidate on the list shall be the chair;
- if not all the standing auditors and all the alternate auditors can be drawn from the single list submitted because the list does not contain a sufficient number of candidates, all the candidates indicated in said list shall be elected as standing and alternate auditors to the maximum extent permitted for the purpose of gender balance compliance. The remaining statutory auditors required to form the board of statutory auditors will be appointed by the Shareholders' Meeting in accordance with the procedures and majorities set forth by law without recourse to list voting and, in any case, in compliance with the applicable laws and regulations concerning gender balance. The chairmanship goes to the first candidate on the list;
- if no lists are validly submitted or if the standing and alternate auditors are not appointed for any reason in accordance with the above procedure, the Shareholders' Meeting shall resolve in accordance with the procedures and majorities set forth by the law without recourse to list voting, without prejudice to compliance with the gender balance regulations in force from time to time.

With respect to the replacement of statutory auditors, article 17 of the By-laws ensures that they are replaced in compliance with the principle of necessary representation of minorities and ensuring compliance with the gender balance regulations in force from time to time.

Specifically, in the event of death, resignation or debarment of a statutory auditor, the first of the alternate auditors belonging to the same list as the outgoing auditor shall take over until the next Shareholders' Meeting. at the earliest opportunity, the Shareholders' Meeting shall appoint the standing and/or alternate auditors necessary to integrate the Board of Statutory Auditors pursuant to article 2401 of the Italian Civil Code as follows:

- if the statutory auditors drawn from the majority list or drawn from the only list submitted or appointed by majority vote if no list was submitted are to be replaced, the auditor(s) shall be appointed by majority vote, without recourse to list voting;
- if, on the other hand, the statutory auditors drawn from the list obtaining the second highest number of votes are to be replaced, the Shareholders' Meeting shall do so by majority vote:
  - a) choosing from among the candidates indicated in the list to which the standing auditor to be replaced belonged, who have confirmed, under their own responsibility, at least ten days prior to the date set for the Shareholders' Meeting on first call, their candidature, together with the declarations concerning the non-existence of causes of ineligibility or incompatibility, as well as the existence of the requirements for the office, or, if there is no candidate in such list,
  - b) choosing from among the candidates included in any other minority lists that have obtained at least one vote and have confirmed, under their own responsibility, at least ten days prior to the date set for the Shareholders' Meeting on first call, their candidature, together with the declarations concerning the non-existence of causes of ineligibility or incompatibility, as well as the existence of the requirements for the office.

The above replacement procedures must in any case ensure compliance with the gender balance legislation applicable from time to time.

With respect to the appointment of statutory auditors for any reason not appointed pursuant to the foregoing, the Shareholders' Meeting shall resolve with the legal majority without recourse to list voting, always subject to compliance with the gender balance provided for by the laws in force at the time.

It is noted that the Company is not subject to any further regulations (such as sector regulations) on the composition of the Board of Statutory Auditors, particularly with respect to the representation of minority shareholders or the number and characteristics of the statutory auditors.

## 11. COMPOSITION AND ACTIVITIES OF THE BOARD OF STATUTORY AUDITORS (pursuant to article 123-bis.2.d) of the CLF)

Pursuant to the appointment procedure described in Section 10, the Ordinary Shareholders' Meeting of 10 May 2023 appointed, inter alia, a new Board of Statutory Auditors for the 2023-2025 three-year period, i.e., until the date of the Shareholders' Meeting called to approve the financial statements at 31 December 2025.

Specifically, two lists were submitted for the meeting of 10 May 2023:

- List no. 1 submitted by the majority shareholder Gas and Technologies World B.V. (which holds 54,400,000 shares, or approximately 59.978% of the share capital), including the following five candidates:

Standing Auditors:

- Giuseppe Marino;
- Paola De Martini;
- Andrea Ballancin.

Alternate Auditors:

- Annalisa Randazzo;
- Barbara Tadolini.

- List no. 2 submitted by Dario Trevisan and Andrea Ferrero on behalf of a group of international and domestic institutional investors (Amundi Asset Management SGR S.p.A. and others, collectively holders of 1,848,592 shares representing 2.03814% of the share capital) in which the following two candidates were indicated:

Standing auditor and Chair of the Board of Statutory Auditors:

- Giovanni Maria Alessandro Angelo Garegnani;

Alternate Auditor:

- Lucia Foti Belligambi.

The following table shows the results of the voting:

|  | no. of shares | % of shares<br>represented at the<br>Shareholders'<br>Meeting | % of share<br>capital |
|--|---------------|---|-----------------------|
| In favour of List no. 1                    | 60,982,220    | 83.539992   | 67.235083             |
| In favour of List no. 2                    | 11,857,808    | 16.244098   | 13.073658             |
| Against                                    | 157,609       | 0.215910  | 0.173770              |
| Abstained                                  | -             | -   | -                     |
| Non-voting                                 | -             | -   | -                     |
| Total shares represented at<br>the meeting | 72,997,637    | 100.000000  | 80.482510             |

In accordance with article 17 of the By-laws, the following persons were appointed to the Board of Statutory Auditors for the 2023-2025 three-year period, i.e., until approval of the financial statements at 31 December 2025:

- Standing auditors
- Giovanni Maria Alessandro Angelo Garegnani, as Chair of the Board of Statutory Auditors (drawn from List no. 2).
- Giuseppe Marino;
- Paola De Martini;

both drawn from List no. 1, which obtained the highest number of votes cast at the meeting.

Alternate Auditors:

- Annalisa Randazzo, drawn from List no. 1, which obtained the highest number of votes cast at the meeting;
- Lucia Foti Belligambi, drawn from List no. 2.

The Company's website ([www.solgroup.com](http://www.solgroup.com)), "Investors" section, "For Shareholders" sub-section, provides, in connection with the Annual Shareholders' Meetings, the list submitted for the appointment of the Board of Statutory Auditors for the Shareholders' Meeting of 10 May 2023, indicating whether it is a list submitted by the majority or minority shareholder.

The "Governance" section also contains a sub-section on "Corporate Bodies" which includes the curricula vitae showing the personal and professional characteristics of each statutory auditor. Pursuant to article 144-decies of the Issuers' Regulation, these CVs are attached to the Report (Annex 2).

Table 3 attached to the Report shows the composition of the Board of Statutory Auditors at 31 December 2024.

In 2024, the Board of Statutory Auditors met 16 times. The meetings lasted approximately two hours; this year, 14 meetings are expected to take place, four of which took place before 26 March 2025. The attendance of each auditor at meetings (including all meetings of the Risk and Sustainability Committee) is shown in Table 4 attached to the Report.

With respect to the diversity and induction programme policies for control bodies, reference should be made to section 4.4 of the Report.

The Board of Directors checked whether the Statutory Auditors met the independence requirements set forth in article 148.3 of the CLF during the first meeting following their appointment on 10 May 2023, based on the information provided by the parties concerned and that available to the Company, and disclosed the outcome to the market.

On 1 January 2024, the Board of Statutory Auditors carried out its self-assessment for 2023. The related outcome was discussed during the Board of Directors' meeting of 15 February 2024 by means of a specific Report. For additional information about the self-assessment process carried out by the Board of Statutory Auditors for the year 2023, reference should be made to SOL's annual report on corporate governance and ownership structure the year ended on 31 December 2023.

On 13 January 2025, the Board of Statutory Auditors carried out its self-assessment for 2024. The related outcome was discussed during the Board of Directors' meeting of 13 February 2025 by means of a specific Report that reads as follows:

*"The current Board of Statutory Auditors was appointed by the Shareholders' Meeting of SOL S.p.A. (the 'Company') held on 10 May 2023 and will end its term of office on the date of the shareholders' meeting to approve the financial statements as at 31 December 2025.*

*After preparing the 2024 self-assessment questionnaire in line with the provisions of the recent "Rules of Conduct for the Board of Statutory Auditors of Listed Companies" issued by the Italian accounting profession, and after completing the questionnaire electronically, at its meeting of 13 January 2025, the Board of Statutory Auditors examined the related results and made the following considerations:*

*The members of the Board of Statutory Auditors have each confirmed that they meet the requirements of independence, integrity, professionalism and compliance with the legal limit for appointments. The Board as a whole also complies with the legal requirements of gender diversity; in terms of diversity of age and professional experience, the different profiles of the members are fruitfully complementary.*

*The professional skills of its members with respect to the topics covered by the Board's activities are, on the whole, adequate, as are their skills with respect to the business sector in which the Company operates.*

*The availability of time devoted by the individual members, and by the Board of Statutory Auditors as a whole, to the performance of their duties, also with respect to attending the meetings of the Board of Statutory Auditors, the Board of Directors and the Board Committees, was also adequate.*

*The flows with the directors and the corporate units responsible for exchanging information with the Board of Statutory Auditors do not show any critical issues, nor do the exchanges of information with the independent auditors. The Board of Statutory Auditors' participation in the work of the Board of Directors and the Board Committees was active and positive.*

*Finally, the interaction between the members of the Board of Statutory Auditors was deemed constructive. No remarks were raised either on operational profiles (thanks also to the effective support provided by the relevant*



*unit) or on the coordination carried out by the Chair".*

In its Report of 13.1.2025 on the self-assessment process conducted for the financial year 2024, the Board of Statutory Auditors confirmed the adequacy of its professional skills with reference to its activities and the sectors in which the company operates, including sustainability issues.

With respect to gender diversity, it is noted that the distribution criterion set out in article 148 of the CLF - which provides that the less represented gender must obtain at least two fifths of the standing members of the Board of Statutory Auditors - was applied to the composition of the Board of Statutory Auditors currently in office. Indeed, one standing auditor and two alternate auditors (i.e., 40% of the auditors) belong to the less represented gender.

At the time of their appointment, the Shareholders' Meeting established a different remuneration for the Chair and the Standing Auditors, providing for a remuneration commensurate with the competence, professionalism and commitment required by the importance of the role covered and the Company's size and sector characteristics. For additional information, reference should be made to the Report on remuneration policy and remuneration paid mentioned in section 7 of the Report.

Therefore, the Shareholders' Meeting held on 10 May 2023 resolved to pay the members of the Board of Statutory Auditors, for the 2023-2025 three-year period (i.e., until the date of the Shareholders' Meeting called to approve the financial statements at 31 December 2025), a gross remuneration, for each of the three years of their term of office, totalling €182,000.00 for the entire Board of Statutory Auditors, to be divided among the three standing auditors according to the positions held, as follows:

- as to the Chair: €78,000.00 p.a.;
- as to the other standing auditors: €52,000.00 p.a. each.

The above remuneration is commensurate with the commitment required, the importance of the role held, and the Company's size and sector characteristics, and is in line with the benchmark average.

Finally, pursuant to the Procedure for Transactions with Related Parties, if equivalent safeguards must be put in place to ensure the adequate composition of the Related Party Transactions Committee, the standing auditors must inform the other standing auditors of any interests they hold, on their own behalf or on behalf of third parties, in the transaction under examination, specifying their nature, terms, origin and scope.

## **12. RELATIONS WITH SHAREHOLDERS AND RELEVANT STAKEHOLDERS**

The Company's policy on communication with shareholders, institutional investors and relevant stakeholders is described in article 18 of the Board of Directors' Regulations in line with Recommendation 3 of the Code. Specifically:

- the Board of Directors promotes the development and maintenance of transparent and ongoing forms of dialogue with the generality of shareholders, also considering the engagement policies of the main institutional investors and asset managers, aimed at fostering complete information on the Company's general performance, so as to allow them to consciously exercise their rights. Once identified, the Board of Directors also promotes initiatives aimed at fostering dialogue with other stakeholders relevant to the Company;
- the CEOs must actively establish a dialogue with the shareholders and, in particular, with institutional investors, asset managers and other relevant stakeholders, based on an understanding of each other's roles and discussions covering issues related to the Company's pursuit of sustainable success. To this end, the CEOs may involve the relevant corporate functions on the various matters of interest and may avail of external consultants. The CEOs must report systematically and promptly to the Board of Directors on the development and significant content of the dialogue with shareholders and other stakeholders;
- the Investor Relator function, represented by the Administrative and Financial Director, handles the relations with institutional investors and shareholders, particularly with respect to the financial indicators. The Investor Relator, who reports directly to the CEOs for this specific function, agrees in advance with them the information to be communicated at meetings with analysts and investors, which are normally also attended by one or both CEOs;

- meetings with members of the Italian and foreign financial community are organised at least once a year;
- all engagement and dialogue activities with shareholders and stakeholders are carried out in compliance with the ruling provisions and the procedure for processing inside information.

In addition, on 7 September 2023, the Board of Directors approved the "Policy for Managing Dialogue with the Generality of Shareholders and Other Stakeholders (the "**Engagement Policy**")" pursuant to article 1 of principle IV and Recommendation 3 of the Code adopted in compliance with the applicable legal and regulatory provisions in force from time to time, including those on corporate information and market abuse, including, without limitation, EU Regulation No. 596/2014 of the European Parliament and of the Council of 16 April 2014, the regulations, regulatory or implementing technical standards and guidelines adopted by the European Commission, ESMA and Consob, as well as the internal rules and procedures adopted by SOL regarding the management of corporate information and inside information (the "**Market Abuse Regulation**").

The aim of the *Engagement Policy* is to regulate the dialogue and communication with investors, shareholders and, in general, the concerned parties (the "**Concerned Parties**" under this policy) by providing the Company with an additional tool aimed at establishing and maintaining a constant and ongoing relationship with the Concerned Parties through transparent, constructive and lasting engagement, which can contribute to ensuring a better understanding of each other's perspectives and to raising the governance level of the Company. Specifically, the Engagement Policy covers, inter alia, the possible direct dialogue with the members of the Board of Directors by the shareholders, providing, in particular, that the engagement may take place - depending on the cases and subject to the Company's assessment - on a one-way basis, i.e., by providing that only the Concerned Parties present their views on specific issues to the relevant Directors, or, to the extent permitted by law (including, without limitation, the Market Abuse Regulation) a two-way basis, i.e., as part of an effective exchange of information between the Concerned Parties and the relevant Directors, on a bilateral basis.

The Engagement Policy regulates analytically the functions of those involved in the dialogue and, inter alia, stipulates that:

- in addition to approving the Engagement Policy and its updates, the Board of Directors oversees, promotes and monitors the effectiveness of the dialogue (also through prior or subsequent information flows);
- the relevant Directors, i.e., the CEOs, identify when and how the meeting with the Concerned Parties are to be held and assess whether to accept (and, if so, the relevant conditions and limitations) the requests for customised dialogue from individual Concerned Parties, based on the best interest of the Company and the Shareholders, considering, inter alia, the confidentiality requirements for the protection of the interests of the Company and/or of the generality of the Shareholders, the subject-matter of the request for dialogue, its purposes, the professional or non-professional nature of the Concerned Party, the characteristics and size of their investment in the Company and the possible contributions in terms of opinions and proposals that may derive from the dialogue;
- a "Contact Person" represented by the Company's Executive Corporate Director of Administration and Finance, who is responsible, inter alia, for the Investor Relations function (the "**Executive Corporate Director**"). To this end, the Executive Corporate Director, also via the Investor Relations function, handles the relations with the Concerned Parties, collects Engagement requests, carries out a preliminary assessment and informs the relevant Directors in a timely manner; as a rule, they take part in the meetings.

Finally, the individual directors, including executive ones and even those who are members of board committees, are not authorised to start, either on their own initiative or at the request of third parties, a dialogue with the Concerned Parties; the individual directors that receive third-party requests for information shall promptly inform the CEOs and agree with them on the terms and conditions for handling the requests received.

For additional information about the Engagement Policy, reference should be made to its full text available on the Company's website ([www.solgroup.com](http://www.solgroup.com)), under the "Governance" section, "Corporate Documents" sub-section.

The CEOs and/or the Investor Relator participated in individual meetings requested by shareholders or other stakeholders, as well as at events organised by institutional investors, including:

- on 4 March 2024, a road show in London organised by Berenberg;
- on 12 March 2024, a road show in London organised by JP Morgan;
- on 23 May 2024, a road show in New York organised by Berenberg;
- on 25 September 2024 a road show in Paris organised by Marex (which had published a study on the Sol

securities);

- on 3 December 2024, a road show in Milan organised by Borsa Italiana;
- on 5 December 2024, a road show in London organised by Berenberg;

During these meetings, the institutional presentation was illustrated and in-depth discussions were held on the Group's outlooks, also in relation to the international geopolitical scenario, the SOL Group's ESG governance, applications and areas of business development for technical gases (e.g., green hydrogen uses for mobility), the trend of energy prices, the Group's activities in the area of renewable energy sources, and the potential development of the home care sector.

In addition, during 2024, the company organised visits to production plants or other operating sites for some stakeholders, during which technical gas applications and home care services were explained.

In general, meetings with stakeholders are attended not only by the Investor Relator, but also directly by the Chairman and Chief Executive Officer or the Deputy Chairman and Chief Executive Officer. In this way, direct contact is created with all participating stakeholders and the Company's top management, and the Company, where appropriate, takes into account any suggestions received.

For example, participation in various road shows and coverage of the SOL stock by 4 major players helped to resolve illiquidity profiles of the SOL stock.

At the first possible meetings of the governing body, the Chairman of the Board of Directors ensured that the board was informed about the development and the most significant contents of the dialogue with all shareholders and investors.

The Investor Relator contacts are as follows:

SOL S.p.A. - Direzione Centrale Amministrazione e Finanza - Marco Filippi;

address: Via Borgazzi 27 - 20900 Monza (MB);

telephone: 039 2396 301; fax: 039 2396 375; e-mail: m.filippi@sol.it

More generally, the Company's website ([www.solgroup.com](http://www.solgroup.com)) provides shareholders with all information about SOL that enables them to exercise their rights in an informed manner.

Specifically:

- the "Investors" section is divided into the following sub-sections:
  1. *"Results and Presentations"* which include the annual and half-year separate financial statements, the presentations relating to the figures of the annual and half-year consolidated financial statements and the annual sustainability reports, which also include the "Non-financial Statement" prepared pursuant to Legislative decree no. 254/2016.
  2. *"Press Releases and Financial Notices"* which include all price sensitive press releases (including financial ones and notices published in national newspapers).
  3. *"SOL Stock Exchange"* which includes the dissemination system (eMarket SDIR) and the storage mechanism (eMarket STORAGE) available at [www.emarketstorage.com](http://www.emarketstorage.com), used by the Company for the transmission and storage of Regulated Information;
  4. *"For shareholders"* which includes:
    - (i) in the *"Annual Shareholders' Meetings"* section, all documents, grouped by year, pertaining to shareholders meetings (e.g., notice of meeting, reports of the Board of Directors in view of the shareholders' meeting, summary report of votes, minutes of the meeting, etc.);
    - (ii) in the *"Other Documents"*, other documents relevant to shareholders (such as the merger documents approved by the Board of Directors);
    - (iii) *"Information for Attending Shareholders' Meetings"*, i.e., entitlement to attend the meeting, the right to ask questions before the meeting, the right to integrate the agenda and information on share capital,
    - (iv) *"FAQs"*;
- the *"Governance"* section comprises the following sub-sections:
  1. *"Corporate Bodies"* which shows the composition of SOL corporate bodies and the *curricula vitae* of the directors and statutory auditors in office, together with the name of the independent auditors;
  2. *"Corporate documents"* which include:
    - the By-laws;
    - Shareholders' Meetings Regulations;

- Board of Directors' Regulations;
  - the Procedure for Transactions with Related Parties;
  - the Internal Dealing Procedure;
  - the Organisation, Management and Control Model;
  - the Whistleblowing Procedure;
  - the Engagement Policy;
  - the Anti-corruption code;
3. "*Reports on Corporate Governance*" which includes:
- the Report on Corporate Governance and Ownership Structure;
  - the annual Report on Remuneration Policies;
4. SOL Group's Code of Ethics.

### **13. SHAREHOLDERS' MEETINGS** **(pursuant to article 123-bis.2.a) of the CFL**

#### **13.1 Functioning.**

Shareholders' Meetings may be ordinary or extraordinary.

Under article 8 of the By-laws, in their Ordinary Meetings the Shareholders approve the financial statements; appoint and dismiss the directors, electing from among them the Chair of the Board of Directors and, within the Board, a Deputy Chair; appoint the Board of Statutory Auditors and its Chair; appoint and dismiss the independent auditors; set the remuneration of the directors and statutory auditors, as well as the audit fees; resolve on liability actions against directors and statutory auditors; approve and amend Shareholders' Meeting Regulations; resolve on other matters conferred on them by the law as well as any authorisations required by the By-laws in order to perform the actions set by the directors.

In their Extraordinary Meetings, the Shareholders resolve on matters set out in the law.

The Shareholders resolve on the report on remuneration policies and remuneration paid with a binding vote in respect of Section I and a non-binding vote in respect of Section II.

Ordinary and Extraordinary Meetings, whether on first or second call, are validly constituted and can pass resolutions with the attendance and majorities required by law.

Extraordinary Shareholders' Meetings on third call shall be constituted with the presence of more than one-third of the share capital, and shall pass valid resolutions with the favourable vote of at least two-thirds of the capital represented at the meeting.

Pursuant to article 2365.2 of the Italian Civil Code, under article 14 of the By-laws, the Board of Directors can be entrusted with the following:

- resolutions concerning mergers in the cases envisaged by articles 2505 and 2505-bis of the Italian Civil Code;
- set up and close secondary offices and transfer the registered office in the national territory;
- adjust the By-laws to bring them into line with the provisions of the law.

There are no multiple-voting shares or loyalty shares.

As already highlighted in the Report, in order to protect minority shareholders, the By-laws (articles 10 and 17) enable Shareholders who, alone or together with other Shareholders, collectively hold shares representing at least one per cent of the share capital represented by shares with voting rights, to submit a list in the Shareholders' Meeting called to appoint the members of the Board of Directors and the Board of Statutory Auditors.

With respect to the attendance of Shareholders' Meetings, article 7 of the Articles of Association, as amended by the Shareholders' Meeting of 10 May 2024, provides, inter alia, that those entitled to vote in accordance with the law may participate in Shareholders' Meetings. Those entitled to vote may be represented in accordance with the law, by written proxy or by proxy conferred electronically when provided for by specific regulations and as established therein.

Where provided for or permitted by the pro-tempore statutory and regulatory provisions in force, participation in the Shareholders' Meeting and the exercise of voting rights may also take place exclusively

through the representative designated by the Company pursuant to Article 135-undecies.1 of Legislative Decree 58 of 24 February 1998, to which, by way of derogation from Article 135-undecies, paragraph 4, of the same Legislative Decree 58 of 24 February 1998, proxies or sub-delegations may also be conferred pursuant to Article 135-novies of Legislative Decree 58 of 24 February 1998. In this case, the legal and regulatory provisions in force for the time being shall apply, which regulate Shareholders' Meetings in the aforementioned manner.

In the event that participation in the Shareholders' Meeting and the exercise of voting rights occurs exclusively through the designated representative pursuant to the preceding paragraph, where this is provided for or otherwise permitted by laws and regulations in force for the time being, participation in the Shareholders' Meeting by the designated representative and the other persons entitled to participate therein may occur, also or solely by teleconference or video conference, without the need for the chairman of the Shareholders' Meeting, the secretary and/or the notary to be in the same place, provided that (i) the collective method is respected (ii) the Chairman of the Shareholders' Meeting is allowed to ascertain the identity and title of those present, regulate the proceedings of the meeting, and ascertain and proclaim the results of the vote; (iii) the person taking the minutes is allowed to adequately perceive the events of the meeting being recorded; (iv) those present are allowed to participate in the discussion and vote simultaneously on the items on the agenda. Voting by correspondence and/or electronically is not permitted.

### 13.2 Shareholders' Meeting Regulations.

Article 8 of the By-laws provides for Shareholders' Meeting Regulations governing the orderly and regular conduct of meetings. This Regulation, which was prepared in accordance with ABI and Assonime template, was updated by the Company's Ordinary Shareholders' Meeting held on 26 October 2010, in order to bring it into line with the new provisions arising from the transposition of the EU directive on shareholders' rights.

Pursuant to section 1.2 of the Report covering the description of SOL's corporate governance system, the Shareholders' Meeting Regulations are published on the company website.

Under article 6 of the Shareholders' Meeting Regulations, each shareholder has the right to take the floor on the items under discussion, to make observations, request information and/or formulate proposals; the Regulations also cover the powers of the Chair and the voting procedure.

With respect to the Covid-19 epidemiological emergency, the Shareholders' Meetings of 15 May 2020 and 14 May 2021 were held in accordance with the exceptional rules introduced by Law decree no. 18 of 17 March 2020. These exceptional rules were first extended until July 2022, then until July 2023, and then until December 2024, so that subsequent Shareholders' Meetings up to and including that of 10 May 2024 were held in this manner. Shareholders' Meetings were attended exclusively by the representative designated pursuant to article 135-undecies of the CFA. At the Meeting of 10 May 2024, all Directors were present, except Dr Elli Meleti. During the Shareholders' Meeting held on 10 May 2024, SOL majority shareholder Gas and Technologies World B.V. communicated well in advance the proposals it submitted to the Shareholders' Meeting on matters on which the directors did not put forward specific proposals and these were made available to the public.

The market capitalisation of the Company in 2024 ranged from a low of €2,404 million to a high of €3,565 million.

**14. Other corporate governance practices**  
**(pursuant to article 123-bis.2.a) of the CLF)**

The Company did not apply any other corporate governance practices in addition to those set out above.



### **15. CHANGES AFTER THE ANNUAL REPORTING DATE**

On 13 June 2024, the Board of Directors of SOL S.p.A. took note of the decision communicated on the same date by Mr. Andrea Monti to retire after more than 43 years of work with the Group and therefore to resign from his position as General Manager of SOL S.p.A., effective 1 January 2025. The Board of Directors then resolved to appoint the two Deputy General Managers, Mr. Daniele Forni and Mr. Claudio Garbellini, as Group General Managers with effect from 1 January 2025.

Therefore, as of 1 January 2025, Mr. Andrea Monti stepped down as General Manager and, as of that date, the position of General Manager is held by Mr. Daniele Forni and Mr. Claudio Garbellini, who are the only Executives with Strategic Responsibilities.

## **16. LETTER OF THE CHAIR OF THE CORPORATE GOVERNANCE COMMITTEE**

On 2025, the Chair of the Board of Directors sent to all Directors and Statutory Auditors the letter dated 17 December 2024 received from Massimo Tononi, the Chair of the Corporate Governance Committee, to which the Committee's Recommendations for 2025 and the Annual Report on the Application of the Corporate Governance Code for 2024 were attached (the "**Letter 2024**").

The Letter 2024, which was analysed and discussed by the Board of Directors and the Board of Statutory Auditors, to the extent of their remit during the meeting of SOL Board of Directors on 13 February 2025, highlights the degree of compliance with the Code by listed companies and some critical issues noted in the Annual Report on the Application of the Corporate Governance Code, approved by the Corporate Governance Committee.

The Letter 2024 emphasises the importance of the Code, which has recently received further recognition from the legislator, who, in connection with the reform of the Consolidated Law on Finance, has indicated the objective of simplifying corporate governance rules by taking into account those laid down in the self-regulatory codes.

The monitoring carried out - which examines the Reports referring to 2023 and published in 2024 - illustrates the situation three years after the entry into force of the new Corporate Governance Code, indicates the level of compliance with the same and formulates some 'Recommendations' for 2025, inviting the Chairman to submit them to the Board of Directors for its consideration and to take them into account in the self-assessment of the board and committees.

It should also be noted that the Corporate Governance Committee has adopted as one of its tools the updated version of the format for the report on corporate governance and ownership structure created by Borsa Italiana since 2008. The new edition of the format takes into account the recently enacted regulations on sustainability reporting, which introduce reporting requirements that also include information on the corporate governance of issuers. The format was therefore supplemented by including references to the information required by the ESRS on corporate governance in the relevant sections, in order to assess the best way to provide the market with comprehensive disclosures. With this Report, SOL has taken the new Format indicated by the Corporate Governance Committee as a reference.

According to the Letter 2024, by the end of 2023, 97% of Italian companies had declared their formal adherence to the new Code. Only seven companies have not done so, basically due to their small size. Increased flexibility and proportionality have been much appreciated by issuers with increasing use, in particular, of triennial self-assessment and committee reduction. Among other things, the need to define rules proportionate to the different characteristics of the various types of listed companies is emerging both at international level (G20/OECD Principles on Corporate Governance) and at national level (MEF Green Paper)

The analysis shows that the quantity and quality of the information provided is excellent; however, the Corporate Governance Committee still notes some shortcomings in the representation of cases of non-application of recommendations through the use of the comply or explain principle.

Almost all member companies have considered the recommendations made in 2023 and amended their board regulations to (i) set clear time frames for sharing pre-board documentation, (ii) adopt policies for dialogue with shareholders, and (iii) implement instruments that favour the pursuit of sustainable success. SOL's governance already fulfils these profiles.

The Corporate Governance Committee notes that there is still room for improvement in increasing the degree of board involvement with regard to the integration of sustainability factors in strategic planning (business plan).

Regarding the recommendations for 2025, the Corporate Governance Committee invites companies to clearly represent the cases of non-application of the recommendations of the Corporate Governance Code and to provide the appropriate reasons and highlights some quite widespread practices that are not in line with the Code, including: failure to indicate the deadlines for sending pre-meeting documents or pre-meetings of the Committees and failure to explain the attribution of management powers to the Chairman. Both of these practices do not concern SOL, which has long set and justified its choices in this matter.

The Committee believes that even where there is no blatant and explicit non-application, greater clarity is needed on the part of issuers in admitting the substantial conflict with the purposes of the specific recommendation and, therefore, in providing adequate and transparent disclosure in this regard.

In this respect, the Committee focuses on:

- completeness and timeliness of information prior to board meetings
- transparency and effectiveness of the remuneration policy
- executive role of the President

SOL Board of Directors will consider this recommendation, while bearing in mind that the Company's level of compliance with the Code and observance of these Recommendations is already rather high.

Monza, 27 March 2025

**SOL S.p.A.**  
The Chair of the Board of Directors  
(*Mr. Aldo Fumagalli Romario*)

Annexes:

TABLES

Table 1: Ownership structure

Table 2: Composition of the Board of Directors and Board Committees

Table 3: Composition of the Board of Statutory Auditors

ANNEXES:

Annex 1) *Curriculum vitae* of Directors

Annex 2) *Curriculum Vitae* of the Statutory Auditors

## TABLES



**TABLE 1: INFORMATION ON THE OWNERSHIP STRUCTURE AT 26 March 2025**

| <b>SHARE CAPITAL STRUCTURE</b>                |                      |                             |                          |                               |
|---|----------------------|-----------------------------|--------------------------|-------------------------------|
|   | <b>No. of shares</b> | <b>No. of voting rights</b> | <b>Listed / Unlisted</b> | <b>Rights and obligations</b> |
| Ordinary shares<br>(no loyalty shares)        | 90,700,000           | 90,700,000                  | Listed on Euronext Milan | Voting rights                 |
| Preference shares                             | //                   | //                          | //                       | //                            |
| Multiple voting shares                        | //                   | //                          | //                       | //                            |
| Other categories of shares with voting rights | //                   | //                          | //                       | //                            |
| Savings shares                                | //                   | //                          | //                       | //                            |
| Convertible savings shares                    | //                   | //                          | //                       | //                            |
| Other categories of non-voting shares         | //                   | //                          | //                       | //                            |
| Other   | //                   | //                          | //                       | //                            |

| <b>OTHER FINANCIAL INSTRUMENTS</b><br>(granting the right to subscribe newly issued shares) |                        |                                  |   |  |
|---|------------------------|----------------------------------|---|--|
|   | <b>Listed/Unlisted</b> | <b>No. of instruments issued</b> | <b>Category of shares servicing the conversion/exercise</b> | <b>No. of shares servicing the conversion/exercise</b> |
| Convertible bonds   | //                     | //                               | //  | //   |
| Warrants  | //                     | //                               | //  | //   |

| <b>SIGNIFICANT EQUITY INVESTMENTS*</b>  |                                      |                                    |                                  |
|---|--------------------------------------|------------------------------------|----------------------------------|
| <b>Name</b>   | <b>Direct shareholder</b>            | <b>% of ordinary share capital</b> | <b>% share of voting capital</b> |
| Stichting Airvision   | Gas and Technologies World B.V.      | 59.978%                            | 59.978%                          |
| JO Hambro Capital Management Limited (as manager for the Perpetual Investment Services Europe Sicav fund) | JO Hambro Capital Management Limited | 4.914%                             | 4.914%                           |
| Tweedy Browne Company LLC (as manager of, inter alia, the Tweedy Browne Global Fund, holding 4.032%)      | Tweedy Browne Company LLC            | 4.763%                             | 4.763%                           |
| Tronconi Alberto (also through SIREF S.p.A. Società Italiana Di Revisione e Fiduciaria holding 2.999%)    | Tronconi Alberto                     | 3.039                              | 3.039                            |

\*These percentages are derived from the shareholders' notifications pursuant to article 120 of the CLF) (thresholds: 3 when the listed company is not a SME, 5, 10, 15, 20, 25, 30, 50, 66.6 and 90%). Therefore, the percentages might not be in line with the data processed and made public by different sources, if the change in the equity investment had not led to disclosure obligations on the part of the shareholders.



**TABLE 2: COMPOSITION OF THE BOARD OF DIRECTORS AT THE REPORTING DATE**

| Board of Directors                             |                          |               |                               |                 |                 |                           |                  |       |           |             |                   |                               |            |
|--|--------------------------|---------------|-------------------------------|-----------------|-----------------|---------------------------|------------------|-------|-----------|-------------|-------------------|-------------------------------|------------|
| Position                                       | Members                  | Year of birth | Date of first appointment (*) | In office since | In office until | List (filed by) (**) (**) | List (M/m) (***) | Exec. | Non-exec. | Indep. Code | Indep. as per CLF | No. of other positions (****) | Attendance |
| Chair and CEO                                  | Aldo Fumagalli Romario   | 1958          | 15/05/1990                    | 11/05/2022      | 12.31.2024      | A                         | M                | X     |           |             |                   | 1                             | 7/8        |
| Deputy Chair and CEO                           | Marco Annoni             | 1961          | 04/09/1990                    | 11/05/2022      | 12.31.2024      | A                         | M                | X     |           |             |                   |                               | 8/8        |
| Director                                       | John Annoni              | 1959          | 27/04/1998                    | 11/05/2022      | 12.31.2024      | A                         | M                | X     |           |             |                   |                               | 7/8        |
| Director                                       | Giulio Fumagalli Romario | 1964          | 29/04/2010                    | 11/05/2022      | 12.31.2024      | A                         | M                | X     |           |             |                   |                               | 8/8        |
| Director                                       | Alessandra Annoni        | 1960          | 11/05/2022                    | 11/05/2022      | 12.31.2024      | A                         | M                |       | X         |             |                   |                               | 8/8        |
| Director                                       | Duccio Alberti           | 1952          | 10/05/2022                    | 11/05/2022      | 12.31.2024      | A                         | M                |       | X         |             |                   |                               | 8/8        |
| Director                                       | Cristina Grieco          | 1964          | 10/05/2022                    | 11/05/2022      | 12.31.2024      | A                         | M                |       | X         | X           | X                 |                               | 8/8        |
| Director                                       | Elli Meleti              | 1963          | 10/05/2022                    | 11/05/2022      | 12.31.2024      | A                         | M                |       | X         | X           | X                 |                               | 8/8        |
| Director                                       | Anna Gervasoni           | 1961          | 13/05/2013                    | 11/05/2022      | 12.31.2024      | A                         | M                |       | X         | X           | X                 | 2                             | 8/8        |
| Director                                       | Antonella Mansi          | 1974          | 13/05/2013                    | 11/05/2022      | 12.31.2024      | A                         | M                |       | X         | X           | X                 | 4                             | 8/8        |
| Director                                       | Erwin Paul Walter Rauhe  | 1955          | 10/05/2019                    | 11/05/2022      | 12.31.2024      | A                         | m                |       | X         | X           | X                 |                               | 8/8        |
| ----- DIRECTORS WHO LEFT DURING THE YEAR ----- |                          |               |                               |                 |                 |                           |                  |       |           |             |                   |                               |            |
|  |                          |               |                               |                 |                 |                           |                  |       |           |             |                   |                               |            |
|  |                          |               |                               |                 |                 |                           |                  |       |           |             |                   |                               |            |
|  |                          |               |                               |                 |                 |                           |                  |       |           |             |                   |                               |            |
|  |                          |               |                               |                 |                 |                           |                  |       |           |             |                   |                               |            |

Number of meetings held during the year: 8

Quorum needed to file lists of candidates by minority shareholders for the election of one or more members (as per article 147-ter of the CLF): 1%

**NOTE**

The symbols below must be included in the column "Position":

• This symbol indicates the director in charge of the internal control and risk management system.

◊ This symbol indicates the Lead Independent Director (LiD).

(\*) Date of first appointment is the date on which the director was appointed for the very first time to the Issuer's BoD.

(\*\*) The list from which the director was elected was filed by the shareholders ("Shareholders") or the Board of Directors ("BoD").

(\*\*\*) The list from which the director was elected ("M": majority list; "m": minority list).

(\*\*\*\*) Number of positions held as director or statutory auditor in other listed or large companies. The positions are detailed in the Report on Corporate Governance.

(\*\*\*\*\*) Directors' respective attendance at meetings of the BoD (number of meetings attended compared to the total number of meetings that could have been attended; e.g., 6/8; 8/8, etc.).

**TABLE 3: COMPOSITION OF BOARD COMMITTEES AT THE REPORTING DATE**

| BoD  |                          | Executive Committee |      | RPT Committee |      | Control and Risk Committee |      | Remuneration Committee |      | Nomination Committee |      | Other committee |      | Other committee |      |
|--|--------------------------|---------------------|------|---------------|------|----------------------------|------|------------------------|------|----------------------|------|-----------------|------|-----------------|------|
| Office held/ Role                                      | Members                  | (*)                 | (**) | (*)           | (**) | (*)                        | (**) | (*)                    | (**) | (*)                  | (**) | (*)             | (**) | (*)             | (**) |
| Chairman and non-independent CEO                       | Aldo Fumagalli Romario   |                     |      |               |      |                            |      |                        |      |                      |      |                 |      |                 |      |
| Deputy Chairman and - non-independent CEO              | Marco Annoni             |                     |      |               |      |                            |      |                        |      |                      |      |                 |      |                 |      |
| Non-independent Executive Director                     | Giovanni Annoni          |                     |      |               |      |                            |      |                        |      |                      |      |                 |      |                 |      |
| Non-independent Executive Director                     | Giulio Fumagalli Romario |                     |      |               |      |                            |      |                        |      |                      |      |                 |      |                 |      |
| Non-independent non-executive director                 | Alessandra Annoni        |                     |      |               |      |                            |      |                        |      |                      |      |                 |      |                 |      |
| Non-independent non-executive director                 | Duccio Alberti           |                     |      |               |      | 6/8                        | M    |                        |      |                      |      |                 |      |                 |      |
| Independent non-executive director as per TUF and Code | Anna Gervasoni           | //                  | //   | 1/1           | C    | //                         | //   | 4/4                    | C    | //                   | //   | //              | //   | //              | //   |
| Independent non-executive director as per TUF and Code | Elli Meleti              | //                  | //   | //            | //   | //                         | //   | 4/4                    | M    | //                   | //   | //              | //   | //              | //   |
| Independent non-executive director as per TUF and Code | Erwin Paul Walter Rauhe  | //                  | //   | //            | //   | //                         | //   | 4/4                    | M    | //                   | //   | //              | //   | //              | //   |
| Independent non-executive director as per TUF and Code | Antonella Mansi          | //                  | //   | 1/1           | M    | 8/8                        | C    | //                     | //   | //                   | //   | //              | //   | //              | //   |
| Independent non-executive director as per TUF and Code | Cristina Grieco          |                     |      | 1/1           | M    | 8/8                        | M    | //                     | //   | //                   | //   | //              | //   | //              | //   |
| ----- DIRECTORS WHO LEFT DURING THE YEAR -----         |                          |                     |      |               |      |                            |      |                        |      |                      |      |                 |      |                 |      |
|  |                          |                     |      |               |      |                            |      |                        |      |                      |      |                 |      |                 |      |
|  |                          |                     |      |               |      |                            |      |                        |      |                      |      |                 |      |                 |      |
|  |                          |                     |      |               |      |                            |      |                        |      |                      |      |                 |      |                 |      |

| -----ANY MEMBERS WHO ARE NOT DIRECTORS -----  |                  |    |          |          |          |  |  |
|---|------------------|----|----------|----------|----------|--|--|
| Issuer's manager/ Other   | Name and surname | // |          |          |          |  |  |
|   |                  |    |          |          |          |  |  |
| <b>No. of meetings held during the year:</b>  |                  |    | <b>1</b> | <b>8</b> | <b>4</b> |  |  |
| <b>NOTE</b><br>(*) Directors' respective attendance at meetings of the committees (number of meetings attended compared to the total number of meetings that could have been attended; e.g., 6/8; 8/8, etc.).<br>(**) The position of the director within the committee: "C": chair; "M": member. |                  |    |          |          |          |  |  |

**TABLE 4: COMPOSITION OF THE BOARD OF STATUTORY AUDITORS AT THE REPORTING DATE**

| Board of Statutory Auditors                             |   |               |                               |                 |                 |                 |             |                                  |                               |
|---|---|---------------|-------------------------------|-----------------|-----------------|-----------------|-------------|----------------------------------|-------------------------------|
| Position  | Members                                       | Year of birth | Date of first appointment (*) | In office since | In office until | List (M/m) (**) | Indep. Code | Attendance of BoD meetings (***) | No. other appointments (****) |
| Chair   | Giovanni Maria Alessandro<br>Angelo Garegnani | 1960          | 15/05/2020                    | 10/05/2023      | 31/12/2025      | m               | X           | 14/16                            | 3                             |
| Standing auditor  | Giuseppe Marino                               | 1960          | 10/05/2023                    | 10/05/2023      | 31/12/2025      | M               | X           | 14/16                            | 4                             |
| Standing auditor  | Paola De Martini                              | 1965          | 10/05/2023                    | 10/05/2023      | 31/12/2025      | M               | X           | 16/16                            | 2                             |
| Alternate auditor                                       | Annalisa Randazzo                             | 1982          | 10/05/2023                    | 10/05/2023      | 31/12/2025      | M               | X           |                                  |                               |
| Alternate auditor                                       | Lucia Foti Belligambi                         | 1972          | 10/05/2023                    | 10/05/2023      | 31/12/2025      | m               | X           |                                  |                               |
| ----- STATUTORY AUDITORS WHO LEFT DURING THE YEAR ----- |   |               |                               |                 |                 |                 |             |                                  |                               |
|   |   |               |                               |                 |                 |                 |             |                                  |                               |
|   |   |               |                               |                 |                 |                 |             |                                  |                               |
|   |   |               |                               |                 |                 |                 |             |                                  |                               |
|   |   |               |                               |                 |                 |                 |             |                                  |                               |

**Number of meetings held during the year: 16**

**Quorum needed to file lists of candidates by minority shareholders for the election of one or more members (as per article 148-ter of the CLF): 1%**

**NOTE**

(\*) Date of first appointment is the date on which the statutory auditor was appointed for the very first time to the Issuer's Board of Statutory Auditors.

(\*\*) The list from which the statutory auditor was elected ("M": majority list; "m": minority list).

(\*\*\*) Statutory Auditors' attendance at meetings of the Board of Statutory Auditors (number of meetings attended compared to the total number of meetings that could have been attended; e.g., 6/8; 8/8, etc.).

(\*\*\*\*) Number of positions as director or statutory auditor relevant for the purposes of article 148-bis of the CLF and related implementing provisions contained in Consob Issuers' Regulation. A complete list of positions held is published by Consob on its website pursuant to article 144-quinquiesdecies of Consob Issuers' Regulation.



## ANNEXES



**ANNEX 1)**

***Curriculum vitae of Directors***