



**CORPORATE GOVERNANCE  
AND OWNERSHIP STRUCTURE REPORT**

(Prepared as per Article 123-*bis* of Legislative Decree No. 58/1998 as  
subsequently amended and supplemented)

Issuer: WIT S.p.A.

Website: [www.wit.cloud](http://www.wit.cloud)

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## DEFINITIONS

<b>“Shareholders’ Meeting”</b>	WIIT’s Shareholders’ Meeting.
<b>“Borsa Italiana”</b>	Borsa Italiana S.p.A.
<b>“Civil Code”</b>	Royal Decree No. 262 of March 16, 1942, as subsequently amended and supplemented.
<b>“Self-Governance Code”</b>	The Self-Governance Code of listed companies approved in July 2018 by the Corporate Governance Committee and promoted by Borsa Italiana, ABI, ANIA, Assogestioni, Assonime and Confindustria. The Code is available for consultation on the Borsa Italiana website at <a href="http://www.borsaitaliana.it">www.borsaitaliana.it</a> .
<b>“Corporate Governance Code”</b>	The Corporate Governance Code approved by the Corporate Governance Committee in January 2020, available on the Borsa Italiana website at <a href="http://www.borsaitaliana.it">www.borsaitaliana.it</a> . We note that the Corporate Governance Code took effect from the first year after December 31, 2020 (i.e. for WIIT as of January 1, 2021) and therefore its adoption will be disclosed in the Corporate Governance Report to be published in 2022.
<b>“Board of Statutory Auditors”</b>	The Board of Statutory Auditors of WIIT.
<b>“Appointments and Remuneration Committee”</b>	The “Appointments and Remuneration Committee” of WIIT.
<b>“Control, Risks and RPT Committee”</b>	The “Control, Risks and Related Parties Committee” of WIIT.
<b>“Board of Directors”</b>	The Board of Directors of WIIT.
<b>“Consob”</b>	<i>Commissione Nazionale per le Società e la Borsa</i> (Italian market oversight authority).
<b>“Report Date”</b>	March 19, 2021.
<b>“Executive Officer for Financial Reporting”</b>	WIIT’s Executive Officer for Financial Reporting.
<b>“Year”</b>	The financial year ending December 31, 2020.
<b>“The Group” or “WIIT Group”</b>	WIIT and its subsidiaries pursuant to Article 93 of the CFA.
<b>“MAR”</b>	EU Regulation 596/2014 of the European Parliament and of the Council of April 16, 2014, concerning market abuse.
<b>“231 Model”</b>	WIIT’s Organization, Management and Control Model, pursuant to Legislative Decree No. 231/2001, available on the <a href="https://www.wiit.cloud/it/company/governance/organo-vigilanza-codice-etico-compliance-committee/">website</a>
<b>“MTA”</b>	The “Mercato Telematico Azionario” (Italian Stock Exchange) organized and managed by Borsa Italiana.
<b>“Supervisory Board”</b>	WIIT’s Supervisory Board, appointed by the Board of Directors as per Article 6 of Legislative Decree No. 231/2001.

<b>“RPT Policy”</b>	The “WIIT S.p.A. Related Party Transactions Policy” approved by the Company’s Board of Directors on March 18, 2019.
<b>“Consob RPT Regulation”</b>	The Regulation adopted by Consob with Resolution No. 17221 of March 12, 2010, as subsequently amended and updated.
<b>“Issuers’ Regulation”</b>	The enacting regulation of the CFA concerning the governance of issuers, adopted by Consob with Resolution No. 11971 of May 14, 1999, as subsequently amended and supplemented.
<b>“Report”</b>	This Corporate Governance and Ownership Structure Report.
<b>“Remuneration Report”</b>	The Remuneration Policy and Report for 2021, drawn up as per Article 123- <i>ter</i> of the Consolidated Finance Act (CFA), and Article 84- <i>quater</i> of the Issuers’ Regulation, and made available on the Issuer’s website ( <a href="http://www.wiit.cloud">www.wiit.cloud</a> ), which provides an analysis of the remuneration of WIIT’s Directors, Statutory Auditors and Senior Executives.
<b>“Independent Audit Firm”</b>	Deloitte & Touche S.p.A., with registered office in Via Tortona 25, Milan, and Tax Code, VAT and Milan, Monza Brianza and Lodi Companies Register No. 03049560166.
<b>“By-Laws”</b>	The Company’s By-Laws.
<b>“CFA”</b>	Legislative Decree No. 58 of February 24, 1998 (as subsequently amended and supplemented).
<b>“WIIT” or the “Issuer” or the “Company”</b>	WIIT S.p.A., with registered office in Via dei Mercanti 12, Milan, and Tax Code, VAT and Milan, Monza Brianza and Lodi Companies Register No. 01615150214.
<b>“WIIT Fin”</b>	WIIT Fin S.r.l., with registered office in Via dei Mercanti 12, Milan, and Tax Code, VAT and Milan, Monza Brianza and Lodi Companies Register No. 05091120963.

## 1 ISSUER PROFILE

### **Description of the Company**

The Company is the parent company of WIIT Group, one of the leading European players in the Cloud Computing market, and, in particular, the Hybrid Cloud and Hosted Private Cloud sectors for businesses. The WIIT Group specializes in cloud solutions for critical applications, that is, applications that may have an impact on business continuity, such as the main Enterprise Resource Planning (ERP) solutions on the market (e.g. SAP, Oracle, Microsoft) and other custom, ad hoc developed applications.

The WIIT Group has created and adopted service models that establish direct control over the entire service and technical component production chain. These make use of internal expertise and assets, in particular the primary Data Centre in Milan, certified by the Uptime Institute LLC of Seattle (USA) as “Tier 4”, certifying the highest level of reliability, namely continual, interruption-free service.

Regarding SAP outsourcing services in particular, WIIT has obtained 6 of the 7 available certifications in the “SAP Outsourcing Operation” area, and is, therefore, together with another company based in India, the most certified partner in the world.

WIIT Group’s clientele is mainly composed of leading companies operating in various manufacturing and industrial sectors. The WIIT Group provides services on the basis of multi-year contracts, and has recorded particularly high contract renewal rates over the last few years.

### **Governance model adopted by the Issuer**

The Company has adopted a traditional management model, with a management body, Board of Directors, and Board of Statutory Auditors.

Furthermore, the Company’s ordinary and extraordinary Shareholders’ Meetings resolve, among other things, on: (i) the appointment, dismissal and remuneration of Board members; (ii) the approval of financial statements and the allocation of profits; (iii) amendments to the By-Laws; (iv) the appointment of the independent audit firm, on motivated proposals by the Board of Statutory Auditors; and (v) extraordinarily, significant amendments to the By-Laws.

The Board of Directors consists of five to eleven members, who remain in office for three years, until the date of the Shareholders’ Meeting for the approval of the financial statements for the last year of their office, with the broadest powers for the Company’s ordinary and extraordinary administration.

The Board of Directors has set up two internal advisory committees: the Appointments and Remuneration Committee and the Control, Risks and RPT Committee.

Specifically, the Appointments and Remuneration Committee is assigned, as per Articles 5 and 6 of the Self-Governance Code (Articles 4 and 5 of the Corporate Governance Code from 2021), an advisory role regarding the appointment of Directors and the remuneration of Directors and Senior Executives and the Control, Risks and RPT Committee is assigned, as per Article 7 of the Self-Governance Code (Article 6 of the Corporate Governance Code from 2021), an advisory role on Board decisions regarding the Internal Control and Risk Management System and the approval of financial statements, in addition to the role assigned as per the Consob RPT Regulation to a committee wholly or by a majority composed of Independent Directors.

The Board of Statutory Auditors, made up of three Statutory Auditors and two Alternate Auditors, is responsible for supervising compliance with the law and the By-Laws;

The statutory audit is carried out by Deloitte & Touche S.p.A.

The Company has a Supervisory Board monitoring compliance with the 231 Model, appointed by and reporting directly to the Board of Directors.

The roles and responsibilities of the Board of Directors, Board of Statutory Auditors,



Shareholders' Meeting and independent audit firm are further described below in the Report.

### **Social responsibility**

The WIIT Group believes that contributing to the well-being of the community and promoting the sustainability of the natural ecosystem are elements that a company with sound principles cannot ignore.

The Company (i) constantly participates in childhood association and institutional projects, particularly in areas of family hardship and the development of young talent, (ii) believes that a "Cloud Company" that bases its development on data center technologies and infrastructure is by definition an "energy-intensive" entity (with the dual aim of optimizing energy consumption and reducing its environmental impact as much as possible, constantly investing in efficient technologies in line with the most modern "Green Policy") and (iii) for some years now, has supported the non-profit "*I Bambini delle Fate*" ("Children of the Fairies"), which finances social projects, managed by parents' associations, institutions and hospitals, for children with autism or disabilities.

### **Statement on SME status**

We note that the Company falls within the definition of "SME" as per Article 1, Paragraph 1, Letter *w-quater.1* of the CFA and Article 2-*ter* of the Consob Issuers' Regulation, in view of its market capitalization in the year of Euro 330,182,217<sup>(1)</sup>. Thus, the relevant threshold for disclosure obligations, as per Article 120, Paragraph 2, of the CFA, is equal to 5% of the share capital (instead of 3%).

\* \* \*

This Report contains the information referred to in Article 123-*bis* of the CFA.

This is accomplished by providing:

- a) some general information on the corporate governance structure adopted by the Company, including, in particular, relevant statutory provisions relating to the Board of Directors, Board of Statutory Auditors and Shareholders' Meeting;
- b) a description of the rules adopted by the Board of Directors, and, as applicable, by the Board of Statutory Auditors, regarding the recommendations of the Self-Governance Code.

## **2 INFORMATION ON THE OWNERSHIP STRUCTURE (PURSUANT TO ARTICLE 123-BIS, PARAGRAPH 1, CFA) AT THE REPORT DATE**

### **2.1 SHAREHOLDERS (PURSUANT TO ARTICLE 123-BIS, PARAGRAPH 1, LETTER A), CFA)**

At the Report Date, the fully subscribed and paid share capital of WIIT is equal to Euro 2,652,066.00, comprising 2,652,066 ordinary shares, with no indicated par value, as detailed below.

	<b>No. of shares</b>	<b>% of share capital</b>	<b>Market listing</b>	<b>Rights and obligations</b>
<b>Ordinary shares</b>	2,652,066	100	MTA (STAR Segment)	Pursuant to statutory law and the By-Laws

WIIT has not issued other share categories, nor convertible financial instruments exchangeable for shares.

<sup>(1)</sup> As per Article 2-*ter* of the Consob Issuers' Regulation: "*For the purposes of Article 1, Paragraph 1, Letter w-quater.1, of the CFA, for the qualification of SME, capitalization shall correspond to the simple average of daily capitalizations calculated with reference to the official price, recorded during the year; average over the period 01/01/2020 to 31/12/2020*".

At the Report Date, the Company holds 158,463 treasury shares, equal to 5.98% of the share capital.

On April 29, 2020, the Shareholders' Meeting approved:

- a) the “2020-2025 Restricted Stock Unit Plan”, drawn up on the proposal of the Appointments and Remuneration Committee and reserved for: (i) the top management of a number of the WIIT Group subsidiaries and (ii) Executives without strategic responsibilities and sales managers at WIIT Group companies. This plan provides for the assignment of “Restricted Stock Units,” i.e. conditional rights - free and non-transferable *inter vivos* - to the free allocation of WIIT shares under the terms and conditions set out in the plan regulation;
- b) the “2019-2021 Monetary Incentive Plan” for Executive Directors and other Senior Executives of WIIT or another WIIT Group company, as identified by WIIT's Board of Directors. This plan is partly based on the performance of WIIT stock; it does not, however, provide for the award of shares or options on shares or other securities but only provides a cash incentive; and
- c) the “2019-2021 Adelante MBO Plan” for Ms. Chiara Grossi as Director of the subsidiary Adelante S.r.l., which provides for the free allocation of WIIT shares in accordance with the terms and conditions provided for in the plan;

jointly, the “Incentive Plans”.

Finally, we note that - pursuant to Article 13, paragraph 3, letter (a) of the Consob RPT Regulations and in accordance with the Company's RPT Policy - the RPT Procedure itself did not apply in approving and executing the Incentive Plans, as they constitute compensation plans based on financial instruments approved pursuant to Article 114-*bis* of the CFA.

The prospectuses for the Incentive Plans were made available to the public within the deadlines and in the manner prescribed by the applicable legal and regulatory provisions and are available for consultation on the Company's website ([www.wiit.cloud](http://www.wiit.cloud) [www.wiit.cloud](http://www.wiit.cloud)), in the “Investors/Shareholders' Meeting” section, and on the authorized storage mechanism “eMarket STORAGE” ([www.emarketstorage.com](http://www.emarketstorage.com)).

For information on the increase in voting rights, see Paragraph 2.3 of the Report.

## **2.2 RESTRICTION ON THE TRANSFER OF SHARES (PURSUANT TO ARTICLE 123-BIS, PARAGRAPH 1, LETTER B), CFA)**

There are no restrictions on share transfers, without prejudice to shareholding representation, legitimation and circulation provisions for regulated market securities trading.

## **2.3 SIGNIFICANT HOLDINGS (PURSUANT TO ARTICLE 123-BIS, PARAGRAPH 1, LETTER C), CFA)**

At the Report Date, as per the disclosure provisions of Article 120 of the CFA and Article 143-*quater*, Paragraph 5, of the Issuers' Regulation, WIIT's significant shareholders under the definition of Article 120 of the CFA are as follows:

<b>Shareholder</b>	<b>Direct Shareholder</b>	<b>Number of shares held</b>	<b>% of share capital</b>	<b>% of voting rights</b>
Alessandro Cozzi	WIIT Fin(*)	1.534.907(**)	57.88%	72.72%

(\*) The share capital of WIIT Fin is held 99.58% by Alessandro Cozzi and 0.42% by his spouse Amelia Bianchi.

(\*\*) Of which 2,241 held directly by Alessandro Cozzi.

The total voting rights and updated list of shareholders with a stake of more than 5% of the share capital, entitled to and having increased voting rights, as per Articles 85-*bis*, Paragraph 4-*bis*, and 143-*quater*, and Paragraph 5, of the Issuers' Regulation, are published on the WIIT website ([www.wiit.cloud](http://www.wiit.cloud)), in the *Investors/Increased vote* section.

At the Report Date, the Company holds a total of 158,463 treasury shares, equal to 5.98% of

the share capital.

#### **2.4 SHARES WHICH CONFER SPECIAL RIGHTS (PURSUANT TO ARTICLE 123-BIS, PARAGRAPH 1, LETTER D), CFA)**

Article 7 of the By-Laws regulates increased shareholder voting rights.

At the Report Date, WIIT Fin has increased voting rights for 1,526,646 shares (equal to 57.56% of the share capital) out of the total 1,534,907 shares, corresponding to 72.72% of the total voting rights.

#### **2.5 EMPLOYEE SHAREHOLDINGS: VOTING MECHANISM (PURSUANT TO ARTICLE 123-BIS, PARAGRAPH 1, LETTER E), CFA)**

At the Report Date, there are no employee share ownership plans with mechanisms whereby votes are not attached.

#### **2.6 VOTING RESTRICTIONS (PURSUANT TO ARTICLE 123-BIS, PARAGRAPH 1, LETTER F), CFA)**

At the Report Date, no restrictions are placed on voting rights other than those required by law.

#### **2.7 SHAREHOLDER AGREEMENTS (PURSUANT TO ARTICLE 123-BIS, PARAGRAPH 1, LETTER G), CFA)**

At the Report Date, the Company is not aware of the existence of any significant shareholder agreements pursuant to Article 122 of the CFA.

#### **2.8 CHANGE OF CONTROL CLAUSE (PURSUANT TO ARTICLE 123-BIS, CFA, LETTER H), CFA) AND STATUTORY PROVISIONS CONCERNING PUBLIC PURCHASE OFFERS (PURSUANT TO ARTICLE 104, PARAGRAPH 1-TER AND 104-BIS, PARAGRAPH 1, CFA)**

WIIT and/or its subsidiaries have not entered into any significant agreements that take effect, are amended or conclude in the event of a change of control of the contracting company, with the exception of the loan agreement signed on January 7, 2020 between WIIT and a pool of banks consisting of Intesa Sanpaolo S.p.A, as arranger bank and agent bank, and Intesa Sanpaolo S.p.A. and Banco BPM S.p.A. as lending banks, for the disbursement of a loan of up to Euro 40 million (later reduced to a maximum of Euro 32.5 million by amending agreement dated September 17, 2020); specifically, this agreement contains provisions on change of control in line with market practice.

As per Article 9 of the By-Laws, the Board of Directors and any delegated bodies may, without the need for authorization from the Shareholders' Meeting:

- undertake acts or transactions to oppose the achievement of the objectives of a public tender or exchange offer, from the notification set out in Article 102, paragraph 1, of the CFA until the offering period ends or the offer expires;
- implement decisions before the commencement of the period indicated in letter a) above, which have not yet been implemented in full or in part and which are not within the scope of the normal activities of the Company, and whose implementation could negate the achievement of the objectives of the offer.

The By-Laws also provide that, pursuant to Article 106, paragraph 3-*quater*, of the CFA, the obligation set out in Article 106, paragraph 3, letter b), of the CFA will not apply until the date of the Shareholders' Meeting called to approve the financial statements for the fifth year from listing.

#### **2.9 POWER TO INCREASE THE SHARE CAPITAL AND AUTHORIZATION TO USE TREASURY SHARES (PURSUANT TO ARTICLE 123-BIS, PARAGRAPH 1, LETTER M), CFA)**

##### **2.9.1 Powers to increase the share capital**

By motion of the Extraordinary Shareholders' Meeting on November 30, 2018, the Company resolved to grant the Board of Directors the power, pursuant to Article 2443 of the Civil Code, to undertake a paid share capital increase, on one or more occasions, with the option for division pursuant to Article 2439 of the Civil Code, by November 30, 2023 (i.e., the fifth year from the date of the resolution by the Shareholders' Meeting), with the exclusion of option rights pursuant to Article 2441, paragraph 4, first and second sentences, of the Civil Code (i.e., by contribution in kind and/or in cash), through the issue of a number of ordinary shares not exceeding 10% of pre-existing share capital at the date of execution of the delegated power, where applicable, and in any event, up to a nominal amount not to exceed Euro 265,206.60, with the option to set an additional share premium.

## **2.9.2 Authorization to use treasury shares**

On April 29, 2020, the Shareholders' Meeting resolved (subject to revocation, for the portion not yet executed, of the authorization approved by motion of the Shareholders' Meeting of November 30, 2018), *inter alia*: (a) to authorize, as per Articles 2357 et seq. of the Civil Code, for eighteen months from the effective authorization date, on one or more occasions, and at any time, the purchase of WIIT no-par value common stock equal to a maximum of 132,603 shares, in compliance with applicable legal, regulatory and EU provisions, in order to provide the Company with a stock of treasury shares (i) to dispose of as part of any extraordinary finance transactions or other uses deemed of financial, managerial or strategic interest, including the exchange of shareholdings with other parties, (ii) to service remuneration plans based on adopted financial instruments; and (b) to establish that purchases are to be made, inclusive of purchase costs, at no more than 15% lower and no more than 15% higher than the official price of WIIT ordinary shares as registered by Borsa Italiana in the stock exchange session preceding the one in which the purchase is made..

At the Report Date, the Company holds a total of 158,463 treasury shares, equal to 5.98% of the share capital.

## **2.10 DIRECTION AND CO-ORDINATION ACTIVITIES (PURSUANT TO ARTICLE 2497 AND SUBSEQUENT OF THE CIVIL CODE)**

At the Report Date, the Issuer is not subject to management and coordination activities by another entity.

## **3 COMPLIANCE (PURSUANT TO ARTICLE 123-BIS, PARAGRAPH 2, LETTER A), CFA)**

The Company complies with the Self-Governance Code<sup>(2)</sup>.

The Self-Governance Code is available to the public on the website of the Corporate Governance Committee at:

<http://www.borsaitaliana.it/comitato-corporate-governance/codice/codice.htm>.

\* \* \*

Neither the Issuer nor its subsidiaries with strategic importance are subject to laws in force outside Italy which affect the Corporate Governance structure.

## **4 BOARD OF DIRECTORS**

### **4.1 APPOINTMENT AND REPLACEMENT OF DIRECTORS AND BY-LAW AMENDMENTS (PURSUANT TO ARTICLE 123-BIS, PARAGRAPH 1, LETTER L), CFA)**

Article 14 of the Company's By-Laws provides for a minimum of 5 and a maximum of 11 Board of Directors members. All Directors must satisfy the eligibility and good standing requirements established by applicable law and other provisions. In addition, in accordance with the legal

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<sup>(2)</sup> We note that the Corporate Governance Code took effect from the first year after December 31, 2020 (i.e. for WIIT as of January 1, 2021) and therefore its adoption will be disclosed in the Corporate Governance Report to be published in 2022.

and regulatory requirements, a number of Directors should be independent. The members of the Board of Directors may not be appointed for a period beyond 3 years and remain in office until the date of the Shareholders' Meeting called to approve the financial statements for their final year of office, subject to the conditions of discontinuation and lapse established by law and these By-Laws.

Article 15 of the By-Laws also provides that the ordinary Shareholders' Meeting, before the appointment of the Board of Directors, determines the number of Board members and the duration of office.

The Directors are appointed by the Shareholders' Meeting on the basis of slates presented by the shareholders or the Board of Directors in which the candidates are listed for a number not greater than those to be elected, by means of progressive number.

Each candidate may be presented on only one slate at the risk of being declared ineligible.

A shareholder cannot present or contribute to or vote for more than one slate, including through a nominee or trust company.

If a shareholder has contributed to the submission of more than one slate, the submission of the slate concerned will be invalid where the inclusion of the shareholder's interest is crucial to reaching the required threshold.

Shareholders may present slates where they are entitled to vote and individually or together with other shareholders they represent at least the percentage of subscribed share capital at the date of submission of the slate, established and published by Consob pursuant to the Issuers' Regulation, to be stated from time to time in the call notice of the Shareholders' Meeting called to resolve on the appointment of the Board of Directors.

For the purposes of determining this minimum holding necessary to submit slates, reference is made to the shares which have been registered in favor of the shareholder on the day on which the slates are filed with the Company. The relative ownership certificate may be sent after filing of the slate, although by the deadline for the publication of slates by the Company.

In nominating Directors to stand for election, account is not taken of the slates which have not obtained at least half of the votes required by the By-Laws, or by applicable law or regulations, for the presentation of the slates.

Each slate containing three or fewer candidates must include, at least one (1) Director meeting the independence requirements set by applicable law and regulations, indicated separately from the others. In addition, each slate containing fewer than eight and more than three candidates must include at least two (2) Directors meeting the independence requirements set by applicable law and regulations, indicated separately from the others. Finally, each slate containing more than eight candidates must include at least three (3) Directors meeting the independence requirements set by applicable law and regulations, indicated separately from the others. Moreover, where required by applicable law and regulations, each slate containing three (3) or more candidates must include candidates of both genders, as indicated in the Shareholders' Meeting call notice, in order to ensure compliance with applicable law and regulations on gender equality.

Each slate must be accompanied by (i) the candidates' *curricula vitae*, including an exhaustive presentation of the candidates' personal and professional profiles, (ii) certification of qualification as independent, where appropriate, in accordance with applicable law and regulations, (iii) declarations by which the individual candidates accept their candidature and declare, in good faith, that they are not subject to any grounds for ineligibility or incompatibility in accordance with the law, in addition to satisfying the requirements, if any, set out by the applicable law and regulations for members of the Board of Directors and (iv) the additional information required by applicable law and regulations and by the By-Laws, as indicated in the call notice of the meeting.

Each slate must be signed by the shareholders who submitted and filed it with the registered office by the 25th (twenty-fifth) day prior to the date of the Shareholders' Meeting in first or

single call, without prejudice to the legal filing deadlines for calls to meet after the first, and must be made available to the public in accordance with applicable law and regulations.

Without prejudice to the option of submitting certification establishing possession of the equity interest by the deadline set by the Company for the presentation of slates, information concerning the identity of the shareholders who have presented the slate and their collective shareholding must be provided upon submission of the slate.

Shareholders other than those who separately or jointly hold a controlling or relative majority shareholding must also submit a declaration certifying the absence of connecting relationships with these latter shareholders.

The slate, if any, submitted by the Board of Directors (i) must be filed and published, in the manner directed by the legislation governing the submission of slates by shareholders, by the 30<sup>th</sup> (thirtieth) day prior to the date of the Shareholders' Meeting in first or single call, without prejudice to the legal filing deadlines for call to meet after the first, and must be made available to the public in accordance with applicable law and regulations governing slates submitted by shareholders, in addition to (ii) meeting the requirements established for the submission of slates by shareholders, *mutatis mutandis*.

Slates presented in violation of the above rule are considered null and are not voted upon.

The Board of Directors is appointed as follows: a) from the slate obtaining the highest number of votes (the "**Majority Slate**"), based on the progressive numbering of the slate, all Directors except 1 (one) are elected. The candidate listed first on the Majority Slate is elected as Chairperson of the Board of Directors; b) From the slate obtaining the second highest number of votes and that is not associated, even indirectly, with the shareholders who presented or voted for the Majority Slate (the "**Minority Slate**") the first candidate on the slate is elected.

If no slate other than the Majority Slate has received at least half the votes required for its submission, all members of the Board of Directors will be drawn from the Majority Slate (by way of exception to the above).

Should two slates receive the same number of votes, the Shareholders' Meeting will hold a second run-off vote between the two tied slates and the slate that receives the most votes will be the winner.

Where it proves impossible to complete the composition of the Board of Directors according to the foregoing procedure, it will be completed by drawing any candidates not yet elected from the Majority Slate, in the order presented, in a manner that ensures satisfaction of the independence and gender requirements established by applicable law and regulations.

Where the composition of the Board of Directors from the application of the previous paragraphs does not ensure compliance with the gender equality regulations, taking into account their order on the slates, the last elected member of the Majority Slate belonging to the over-represented gender will be replaced to ensure compliance with this regulation, by the first non-elected candidate on the same slate belonging to the under-represented gender. In the absence of candidates from the under-represented gender of the Majority Slate of a sufficient number to proceed with replacement, the Shareholders' Meeting appoints the Board member through statutory majority, ensuring compliance with the requirements. In any event, elected members of the over-represented gender who meet the independence requirements imposed by applicable law and regulations must be replaced by persons also meeting these requirements.

The same procedure will apply, *mutatis mutandis*, when the number of Independent Directors required by applicable law and regulations has not been elected.

Should only one slate be presented, the Shareholders' Meeting will vote on it. Should this slate obtain the relative majority, the candidates listed will be elected as Directors in sequential order, up to the number fixed by the Shareholders' Meeting, without prejudice to satisfaction of the requirements imposed by applicable law and regulations and by the By-Laws regarding the composition of Boards of Directors, and, in particular, gender parity. The candidate listed

first on the slate is elected as the Chairperson of the Board of Directors.

If no slates are submitted, or if the application of the criteria laid down above does not permit the election of all members of the Board of Directors, the Shareholders' Meeting will proceed therewith immediately, by motion passed by simple majority, on the proposal of the vote-holders present, while ensuring satisfaction of the requirements set by applicable law and regulations and the By-Laws with regard to the composition of Boards of Directors and, in particular, gender parity.

Slate voting is applied only in the case of the renewal of the entire Board of Directors.

If one or more Directors cease to hold office for any reason, those remaining in office will replace the outgoing Directors through co-option, without the use of slates, while ensuring satisfaction of the requirements set by applicable law and regulations and the By-Laws with regard to the composition of Boards of Directors and, in particular, gender parity. Pursuant to Article 2386 of the Civil Code, Directors are elected by the Shareholders' Meeting by the legal majorities, without the use of slates, while ensuring satisfaction of the requirements set by applicable law and regulations and the By-Laws with regard to the composition of Boards of Directors and, in particular, gender parity. The Directors thus elected cease to hold office together with those in office when they are elected.

#### **4.1.1 Succession plans**

In compliance with criteria C.5.2. of the Self-Governance Code, on November 30, 2018, the Board of Directors adopted as effective from the start of trading of the WIIT shares on the MTA, a succession plan to cover the unplanned unavailability of the Chief Executive Officer ("contingency plan"). According to this plan, the Board of Directors will urgently appoint an Internal Executive Committee, consisting of the Chairperson and two members of the Board of Directors with relevant consolidated management and business experience. This Committee will be called upon to play a proactive, managerial role in any non-deferrable extraordinary corporate transactions, and to guarantee the ordinary management that would otherwise fall under the responsibility of the Chief Executive Officer.

This Executive Committee, with the support of a specialized external consultancy firm and the Appointments and Remuneration Committee, will assess the candidatures (internal and external) and submit to the Board of Directors a restricted number of candidates for the final decision. At the end of the process, the Board of Directors will then appoint the candidate deemed most suitable, and assign the relevant powers.

## 4.2 COMPOSITION OF THE BOARD OF DIRECTORS (PURSUANT TO ARTICLE 123-BIS, PARAGRAPH 2, LETTER D) AND D-BIS) CFA)

### 4.2.1 Composition

The Shareholders' Meeting of November 30, 2018 appointed the Board of Directors for an office of three years, until the Shareholders' Meeting for the approval of the financial statements at December 31, 2020, setting the number of members at nine and appointing the following nine Directors, all of whom were taken from the sole slate submitted by the majority shareholder WIIT Fin: Riccardo Mazzanti, Alessandro Cozzi, Enrico Rampin, Francesco Baroncelli, Amelia Bianchi, Riccardo Sciutto (independent), Dario Albarello (independent), Annamaria Di Ruscio (independent) and Aldo Napoli (independent). At its meeting of November 12, 2020, the Board of Directors ascertained that Mr Albarello no longer possessed the independence requirements provided for in Articles 147-ter, paragraph 3 and 148, paragraph 3 of the CFA and the Self-Governance Code, due to his participation in the business initiative launched by ABC Capital S.r.l, a company in which Alessandro Cozzi, Executive Director and controlling shareholder of WIIT through the company WIIT Fin, is also a shareholder.

The same Shareholders' Meeting of November 30, 2018 appointed Riccardo Mazzanti as Chairperson of the Board of Directors.

At the close of the Shareholders' Meeting, the new Board of Directors met and:

- d) confirmed Alessandro Cozzi as Chief Executive Officer;
- e) appointed Riccardo Mazzanti as Chief Operating Officer<sup>(3)</sup>;
- f) confirmed Enrico Rampin and Francesco Baroncelli as Chief Sales & Marketing Officer and Chief Mergers & Acquisitions, respectively;
- g) verified the independence requirements for Directors Riccardo Sciutto, Aldo Napoli, Dario Albarello (no longer meeting the independence requirements at the Report Date) and Annamaria Di Ruscio, pursuant to Article 14 of the By-Laws, current regulations and the Self-Governance Code.

The provenance details of the Directors are made available on the Company's website ([www.wiit.cloud](http://www.wiit.cloud)), in the *Investors/Shareholders' Meeting* section.

Below is a summary curriculum vitae of each member of the Board of Directors, indicating their most relevant expertise.

**Riccardo Mazzanti:** born in Pisa on July 16, 1970. He began his professional career in 1993 as a consultant at Infogroup, a company specializing in ICT services for the banking sector. Between 1996 and 1999, he held various roles as project manager in the ICT and organization department of METRO Cash&Carry. In 1999 he assumed the position of CIO in the Medusa Film Group (at that time Fininvest Group) and in 2004 joined Mediaset as CRM Manager for the launch of the Mediaset Premium platform. In 2008, he became a WIIT Director with the goal of supporting the Company in the preparation and execution of the development business plan. He is currently the Chairperson of the Company's Board of Directors.

**Alessandro Cozzi:** born in Bolzano on March 6, 1972. He received his diploma in accounting in 1991. He served as administrative manager at his family's company, Walther Italia, which manufactures and supplies hardware for the banking sector. In 1996, he founded Walther Italia Information Technology S.p.A. (now WIIT), which initially focused on providing ICT services. Since 2006 it has provided Private Cloud services for medium to large enterprises. He is currently the Chief Executive Officer of the Company.

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<sup>(3)</sup> As detailed in the Company's press release dated November 23, 2020, Igor Bailo was appointed as the new Chief Operating Officer of the WIIT Group. The appointment follows the agreed assessment made with the COO, Riccardo Mazzanti, that a new COO should take on the role.



**Enrico Rampin:** born in Milan on December 3, 1968. He received a bachelor's degree in Electronic Engineering with a specialization in Micro Electronics in 1997. He began his career at Soluzioni Software, a company specializing in application and management solutions for the medium and medium-large enterprise, working as a sales manager with responsibility for the discrete manufacturing market. In 2001 he joined Oracle, where he held increasingly senior roles in sales before assuming responsibility for the CPG, Retail & Luxury markets for ERP applications in Italy. In 2009 he joined WIIT, where he served as board member and Sales & Marketing Director. He is currently the Company's Chief Sales & Marketing Officer.

**Francesco Baroncelli:** born in Florence on February 1, 1971, is a manager and entrepreneur with almost 20 years of experience in the IT and telecommunications sectors. He has contributed to the development and restructuring of medium-large Italian companies and startups. He has a degree in Business and Economics from the University of Florence and an MBA from SDA Bocconi. He has also taken courses in chartered accountancy and studied at the LUISS Management School. He is currently Chief Executive Officer of the Adelante Group, which he founded in 2011 and sold to WIIT in July 2018. He is currently the Company's Chief Merger & Acquisition Officer.

**Amelia Bianchi:** born in Sterzing (BZ) on May 29, 1968. Owner and founding partner of Sintex S.r.l., a shipping and customs consulting company in Sterzing and Milan, she joined WIIT as a board member in 2009.

**Riccardo Sciutto:** born in Bra (CN) on November 26, 1971. He gained 20 years' experience in the fashion sector in leading Italian companies, where he held increasingly senior roles in sales and then managerial positions. He currently holds management and administrative positions at a number of Sergio Rossi Group companies, including Group CEO at Sergio Rossi S.p.A.

**Aldo Napoli:** Born in Rome on April 24, 1956. He holds a degree in economics and began his work experience in the finance sector. Following significant experience in the finance and private equity funds, he joined HAT Orizzonte and now holds management and administrative roles in several Italian companies, including WIIT.

**Annamaria Di Ruscio:** born in Ascoli Piceno on July 18, 1967. She graduated from Bocconi University in Milan in 1992 with a bachelor's degree in Economics and Business, majoring in International Political Economy. After four years at Gartner, at the age of 32 she co-founded "NetConsulting," a consulting and analytical firm in the IT, telecommunications and media market; since 2005 she has been its General Manager and sits on its Board of Directors. Since December 2014, she has been Chief Executive Officer of "NetConsulting cube," a holding company for a group of consultants and analysts focusing on the digital market. She currently coordinates consulting and innovation support for user companies, through ICMT (Payment, IoT, Cloud & Digital Services and Content, new technologies). Since February 2015, she has been a member of the strategic committee of "Digital Enterprise Lab," a research and innovation laboratory with a digital focus promoted by the Ca' Foscari University of Venice. She is an independent director on a number of corporate boards. Finally, she has held and continues to hold management and administrative positions in a number of listed companies: from May 4, 2015 to July 3, 2018, she was Vice-Chairperson of ACSM-AGAM and is currently a Director on the Board of Piteco S.p.A.

**Dario Albarello:** born in Mondovi on June 2, 1977. He gained a bachelor's degree with honors in business administration in 2002 and began his work experience in audit and transaction services, at a well-known consulting firm. After holding managerial positions for corporate finance operations at an investment bank, he then worked for HAT Horizon. He currently sits on the board of several Italian companies, including WIIT.

#### **4.2.2 Diversity criteria and policies**

Up until the Report Date, the Company has not adopted any specific or gender diversity criteria, deeming it sufficient, for the composition of its Board of Directors, to comply with legal and By-Law requirements.

Specifically:

- a) as per Article 2 of Law No. 120 of July 12, 2011, requiring, for the first office applicable under this legislation, that the under-represented gender obtain a quota equal to at least one fifth of elected Directors;
- b) as per Article 15 of the By-Laws, the composition of the Board of Directors must ensure gender equality in compliance with applicable legislative and regulatory provisions.

Regarding diversity in terms of managerial, professional and international skills, age, and seniority of office, no specific criteria have been adopted, except for meeting legal integrity requirements and accounting, financial, risk management and remuneration expertise needs for the Board's internal committees.

We note that, during the year, the Company did not adopt specific gender equality and equal opportunities measures. That said, the Company believes that, through constant monitoring, its current organization allows for the fulfillment of such principles.

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

The Board of Directors has decided not to draw up general criteria on the maximum number of administration and control positions held in other companies considered compatible with effective execution of the role of Director of the Issuer. It is the duty of the Director to decide, pursuant to Article 148-*bis* of the CFA and Articles 144-*duodecies* and subsequent of the Issuers' Regulation, whether the office of Director or Statutory Auditor held in other listed companies on regulated markets, in financial, banking, insurance or large companies, is compatible with the diligent undertaking of their duties as Director of the Issuer. Based on the information it receives, upon appointment and annually thereafter the Board of Directors verifies the compatibility of positions held by Directors in other companies with effective performance of their role as Directors of the Company.

Based on information received from the Directors, we note that with the sole exception of Annamaria Di Ruscio's role in Piteco S.p.A., no Director holds an administrative or audit role in any financial, banking, insurance or large company listed on national or foreign regulated markets.

## **4.3 ROLE OF THE BOARD OF DIRECTORS (PURSUANT TO ARTICLE 123-BIS, PARAGRAPH 2, LETTER D), CFA)**

### **4.3.1 Board powers**

Article 16 of the By-Laws provides that the Board of Directors shall be granted all the broadest powers of ordinary and extraordinary administration not mandatorily reserved by law to the Shareholders' Meeting, without prejudice to specific powers attributed by the By-Laws, by law, and by regulations applicable to the Shareholders' Meeting. In addition to issuing non-convertible bonds, the Board of Directors may also pass motions regarding mergers and de-mergers, in the cases provided for by law, the opening and closing of branch offices, the appointment of Directors, in addition to the Chairperson, as company representatives, the reduction of the share capital in the case of withdrawal of the shareholders, the amendment of the By-Laws in accordance with the law and the transfer of the registered office within Italian national territory.

The Board of Directors performs the following duties:

- a) reviews and approves the strategic, industrial and financial plans of the Company and of the WIIT Group it heads, periodically monitoring implementation; defines the corporate governance of the Company and the structure of the WIIT Group;
- b) defines the nature and level of risk compatible with the strategic objectives of the Company, including in their assessments all risks considered significant with regard to the sustainability of the medium/long-term operations;
- c) evaluates the adequacy of the organizational, administration and accounting system of the Company and of its subsidiaries with strategic importance, with particular reference to the Internal Control and Risk Management System;
- d) set out the frequency (which is at least quarterly) with which the delegated bodies shall report to the Board of Directors on the activities performed in the exercise of their delegated powers;
- e) assesses the general operational performance, taking into account, in particular, the information received from executive boards, as well as periodically comparing the results with the budgets;
- f) resolves on the Company's transactions and those of its subsidiaries when the aforementioned transactions have particular strategic, economic, asset or financial relevance for the Company; to this end, lay down general criteria for the identification of significant transactions;
- g) carries out, at least once a year, an evaluation on the functioning of the Board and of its Committees, and also in relation to its size and composition, taking account also of the professional qualifications, experience - also of a managerial nature - and the gender balance of its members, in addition to their years of service;
- h) taking into consideration the results of this assessment as described in letter (g), expresses to the shareholders - before the appointment of the new Board of Directors and where deemed necessary - an opinion on the managerial and professional profiles whose presence on the Board is considered beneficial;
- i) provides information in the Corporate Governance Report: (1) on its composition, indicating, for each member their relevant category (executive, non-executive, independent), the role performed within the Board, the key professional characteristics, and the length in service since first appointment; (2) on the number and average duration of the meetings of the Board held during the financial year and on the relevant attendance percentage for each Director; (3) on the methods for carrying out the assessment process as described in letter (g) above;
- j) in order to ensure the correct management of corporate information, adopts, upon the proposal of the Chief Executive Officer or the Chairperson of the Board of Directors, a

procedure for the internal management and the external communication of documents and information pertaining to the Company, with specific reference to inside information.

#### **4.3.2 Board meetings and disclosure to the Board of Directors**

In the year, the Board of Directors met 7 times, with an average meeting duration of approximately 2 hours, and member attendance of approximately 94%.

The Executive Officer for Financial Reporting attended all Board meetings relating to the approval of the interim reports, the condensed half-year financial statements, the separate financial statements and the consolidated financial statements or other data or matters considered of significance for their declarations which they are required to complete, and also attended on any occasion considered beneficial by the Chairperson of the Board of Directors, in consideration of matters which may impact the accounting disclosure of the Company or the companies included in the consolidation scope or related to such.

The Board of Directors received pre-meeting information sufficiently in advance, at least five days before each meeting. The Chairperson of the Board of Directors ensured that the documentation relating to the matters on the Agenda was made available to the Directors and Statutory Auditors by this deadline, except in cases of particular urgency or necessity. Enough time was given, in any case, to expand on the information during the meetings. In any case, reports to the Board on important matters, management trends and economic results were deemed sufficiently complete.

We note that, from the close of the Year to the Report Date, the Board of Directors met 2 times.

Furthermore, on the basis of the 2021 financial calendar published on the Issuer's website ([www.wiit.cloud](http://www.wiit.cloud)) in the *Investors/Corporate Events* section, the Board of Directors is scheduled to meet on the following dates:

- March 19, 2021, for the approval of the draft financial and consolidated financial statements for the year ending December 31, 2020;
- May 13, 2021, for the approval of the consolidated interim report at March 31, 2021;
- September 13, 2021, for the approval of the consolidated half-year report at June 30, 2021;
- November 11, 2021, for the approval of the consolidated interim report at September 30, 2021.

Regarding the Company's financial calendar, we note that WIIT, as a STAR issuer, draws up and publishes quarterly reports.

Quarterly reports are disclosed via press release following their approval by the Board, as per Article 82-ter, Paragraph 3, of the Issuers' Regulation.

#### **4.3.3 Evaluation of the functioning and composition of the Board of Directors and its Committees**

The Board of Directors has not carried out a self-evaluation of its size, composition and activities, or of its committees, and has not provided guidelines for the appointment of professional figures to the Board of Directors, deeming it preferable to leave such evaluations to shareholders upon renewal of the Board of Directors itself.

### **4.4 EXECUTIVE BODIES**

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

By the Board of Directors' motion of November 30, 2018 and March 18, 2019, respectively, the Executive Directors of the Company have been granted powers of ordinary and extraordinary administration commensurate with the size of the Company and WIIT Group, and the specific role held.

**Alessandro Cozzi**

Mr. Alessandro Cozzi qualifies as WIT's Chief Executive Officer. In this regard, we note that there is no interlocking directorate. Mr. Alessandro Cozzi is granted the following powers:

- Corporate signature: to sign all business, confidential and private correspondence by name preceded by office and Company name.
- Procurement contracts: to sign procurement contracts up to Euro 5,000,000 per contract per year (with multi-year contract values divided by planned contract duration years), to participate in tenders, auctions and bids, including via association and temporary business groupings, held by any private company, public body or public administration, to present and withdraw offers, to set or withdraw deposits, to enter into relevant contracts, and to carry out any practice and formality inherent to such contracts.
- Sales contracts: to sign sales contracts up to Euro 5,000,000 per contract per year (with multi-year contract values divided by planned contract duration years), to purchase, sell, also for ongoing contracts, exchange, import and export machinery, goods and any other product and service relating to the company business, setting prices, terms and conditions, and granting, where appropriate, rebates and discounts; to purchase, sell and exchange vehicles, carrying out all the necessary paperwork at the Automobile Public Register and any other competent office.
- Real estate leases: to sign real estate leases up to Euro 2,000,000 per lease, and to enter into and withdraw from any lease for the use of real estate for a renewable term not exceeding six years.
- Movable asset leases: to enter into and withdraw from any registered or unregistered movable asset lease, including finance leasing, up to Euro 5,000,000 per lease.
- Insurance contracts: to sign insurance contracts up to Euro 500,000 per contract, to enter into such contracts with insurance companies and institutes, and to sign relevant policies, settle for damages and indemnity claims, and carry out any relevant formalities.
- General contracts: To enter into and withdraw from any other contract relating to the ordinary management of the Company up to Euro 4,000,000 per contract.
- Collections and receipts: to demand and collect any sum due to the Company, for any cause or motive, without limit of amount, to issue relevant quittances and down payment and balance receipts. to collect unregistered. To collect unregistered, registered and insured mail, parcels and securities, also representative of goods, from post, railways, transport and company offices, signing relevant releases.
- Banking transactions: (i) to open and close, in the name of the Company, current accounts and safety deposits, with safety deposit box leasing, and relevant access; (ii) to issue bank checks and debit and credit instructions on company current accounts up to Euro 10,000,000 per transaction, within the limit of granted credit lines, discounting, in any form, the commercial and financial portfolio, cashing and recalling checks and bills, and requesting any advances on invoices; (iii) to request bank sureties and guarantees, up to Euro 10,000,000 per transaction; (iv) to purchase or sell securities in series or bulk not relating to equity investments in subsidiaries or associates, up to Euro 10,000,000 per transaction, to purchase and sell foreign currency, and to carry out any other ordinary or extraordinary administrative general banking transaction; and (v) to request credit facilities from credit institutions, on behalf of the Company, on an ongoing or occasional basis, both for cash and signature commitments, up to Euro 10,000,000 per transaction, or equivalent value in a foreign currency, for each bank with which the Company has relations, establish relevant conditions and terms of use.
- Relations with Italian post offices: by single signature, to open and close postal current accounts in the name of the Company, and issue relevant postal debit orders, credit and debit instructions, and carry out any other relevant transaction or formality of ordinary administration up to Euro 100,000 per transaction.
- Relations with the public administration: to represent the Company in relations with

public, local and territorial administrations and chambers of commerce, carrying out any relevant formalities or transactions, including signing and submitting applications, appeals and documents of any kind, stipulating deeds and contracts, and establishing and withdrawing securities in relation to ministries, public debt offices, deposit and loan funds, revenue offices, the treasury, finance offices, customs offices, tax offices, municipalities, provinces, regions, state property offices and any other public office or body.

- Fiscal powers: to represent the Company in any formality relating to taxes, duties and contributions, including accepting and appealing assessments, and making settlements, up to Euro 5,000,000 per assessment, to submit relevant declarations, appeals, claims, briefs, settlement requests and any other documentation before any tax office, authority or commission, including the central tax commission, and to accept and collect any reimbursements, delegating all or part of these powers to qualified lawyers or professionals.
- Organization of labor: without limit of amount, (i) to hire, suspend and dismiss Executives, middle managers, clerical staff and manual workers, establishing and modifying their respective duties and remuneration; (ii) to appoint, suspend and revoke labor representatives, agents and commission agents, establishing their relevant remuneration and powers; and (iii) to represent the Company in trade union disputes, at labor offices, and at social security and insurance institutions.
- Judicial disputes: within the limit of Euro 5,000,000 per dispute: (i) to stand trial at any level of jurisdiction, at the Court of Cassation, both in first and further instance, appointing and dismissing lawyers, attorneys and technical consultants. To apply for attachment and conservative or judicial seizures in the hands of debtors and third parties, and deal with judgment revocations and executions; (ii) to accept out-of-court settlements and represent the Company in bankruptcy, creditor and receivership proceedings and settlements, accepting or rejecting percentages on account or balance; (iii) to acquire forced or voluntary mortgages and pledges as collateral for credits, and provide for their cancellation; and (iv) to represent the Company in both receivable and payable proceedings, appointing lawyers and signing judicial mandates before any judicial or administrative authority, and at any stage or level, proposing and signing any judicial and out-of-court settlements, transactions and releases.
- Appointment of special proxies: to appoint special agents and proxies for certain acts, or categories of acts, within the scope of delegated powers. These exclude powers relating to banking transactions, credit facilities and loan applications in general but include ordinary banking credit, debit and overdraft transactions within granted credit lines.
- Representation of the Company in ordinary Shareholders' Meetings of subsidiaries and associates: to represent the Company in ordinary Shareholders' Meetings of subsidiaries and associates limited to the discussion of matters relating to ordinary management and within the scope of the delegated powers provided for in the previous points.
- Implementation: to implement Board of Directors motions.

At the Report Date, Mr. Alessandro Cozzi is also Chairperson of the Boards of Directors of the following WIIT subsidiaries: Adelante S.r.l., Matika S.p.A. and Etaeria S.r.l.

### **Riccardo Mazzanti**

Mr. Riccardo Mazzanti, Chairperson of WIIT, is granted the following powers:

- Corporate signature: to sign all business, confidential and private correspondence by name preceded by office and Company name.
- Procurement contracts: to sign procurement contracts up to Euro 5,000,000 per contract per year (with multi-year contract values divided by planned contract duration years), to participate in tenders, auctions and bids, including via association and temporary business groupings, held by any private company, public body or public administration,

to present and withdraw offers, to set or withdraw deposits, to enter into relevant contracts, and to carry out any practice and formality inherent to such contracts.

- Sales contracts: to sign sales contracts up to Euro 5,000,000 per contract per year (with multi-year contract values divided by planned contract duration years), to purchase, sell, also for ongoing contracts, exchange, import and export machinery, goods and any other product and service relating to the company business, setting prices, terms and conditions, and granting, where appropriate, rebates and discounts; to purchase, sell and exchange vehicles, carrying out all the necessary paperwork at the Automobile Public Register and any other competent office.
- Movable asset leases: to enter into and withdraw from any registered or unregistered movable asset lease, including finance leasing, for a duration not exceeding seven years, up to Euro 500,000 per lease.
- Insurance contracts: to sign insurance contracts up to Euro 500,000 per contract, to enter into such contracts with insurance companies and institutes, and to sign relevant policies, settle for damages and indemnity claims, and carry out any relevant formalities.
- Contracts in general: to enter into and withdraw from any other contract relating to the ordinary management of the Company up to Euro 500,000 per contract.
- Collections and receipts: to demand and collect any sum due to the Company, for any cause or motive, without limit of amount, to issue relevant quittances and down payment and balance receipts. to collect unregistered. To collect unregistered, registered and insured mail, parcels and securities, also representative of goods, from post, railways, transport and company offices, signing relevant releases.
- Relations with the public administration: to represent the Company in relations with public, local and territorial administrations and chambers of commerce, carrying out any relevant formalities or transactions, including signing and submitting applications, appeals and documents of any kind, stipulating deeds and contracts, and establishing and withdrawing securities in relation to ministries, public debt offices, deposit and loan funds, revenue offices, the treasury, finance offices, customs offices, tax offices, municipalities, provinces, regions, state property offices and any other public office or body.
- Organization of labor: without limit of amount, (i) to hire, suspend and dismiss Executives, middle managers, clerical staff and manual workers, establishing and modifying their respective duties and remuneration; (ii) to appoint, suspend and revoke labor representatives, agents and commission agents, establishing their relevant remuneration and powers; and (iii) to represent the Company in trade union disputes, at labor offices, and at social security and insurance institutions.
- Judicial disputes: within the limit of Euro 2,000,000 per dispute: (i) to stand trial at any level of jurisdiction, at the Court of Cassation, both in first and further instance, appointing and dismissing lawyers, attorneys and technical consultants. To apply for attachment and conservative or judicial seizures in the hands of debtors and third parties, and deal with judgment revocations and executions; (ii) to accept out-of-court settlements and represent the Company in bankruptcy, creditor and receivership proceedings and settlements, accepting or rejecting percentages on account or balance; (iii) to acquire forced or voluntary mortgages and pledges as collateral for credits, and provide for their cancellation; and (iv) to represent the Company in both receivable and payable proceedings, appointing lawyers and signing judicial mandates before any judicial or administrative authority, and at any stage or level, proposing and signing any judicial and out-of-court settlements, transactions and releases.
- Representation of the Company in ordinary Shareholders' Meetings of subsidiaries and associates: to represent the Company in ordinary Shareholders' Meetings of subsidiaries and associates limited to the discussion of matters relating to ordinary management and within the scope of the delegated powers provided for in the previous points.

- Implementation: to implement Board of Directors motions.

At the Report Date, Mr. Riccardo Mazzanti is also a member of the Boards of Directors of the following WIIT subsidiaries: Adelante S.r.l., Matika S.p.A. and Etaeria S.r.l.

### **Enrico Rampin**

Mr. Enrico Rampin, Chief Sales & Marketing Officer, is granted the following powers:

- Corporate signature: to sign all business, confidential and private correspondence by name preceded by office and Company name.
- Procurement contracts: to sign procurement contracts up to Euro 5,000,000 per contract per year (with multi-year contract values divided by planned contract duration years), to participate in tenders, auctions and bids, including via association and temporary business groupings, held by any private company, public body or public administration, to present and withdraw offers, to set or withdraw deposits, to enter into relevant contracts, and to carry out any practice and formality inherent to such contracts.
- Sales contracts: to sign sales contracts up to Euro 5,000,000 per contract per year (with multi-year contract values divided by planned contract duration years), to purchase, sell, also for ongoing contracts, exchange, import and export machinery, goods and any other product and service relating to the company business, setting prices, terms and conditions, and granting, where appropriate, rebates and discounts; to purchase, sell and exchange vehicles, carrying out all the necessary paperwork at the Automobile Public Register and any other competent office.
- Contracts in general: to enter into and withdraw from any other contract relating to the ordinary management of the Company up to Euro 50,000 per contract.
- Relations with the public administration: to represent the Company in relations with public, local and territorial administrations and chambers of commerce, carrying out any relevant formalities or transactions, including signing and submitting applications, appeals and documents of any kind, stipulating deeds and contracts, and establishing and withdrawing securities in relation to ministries, public debt offices, deposit and loan funds, revenue offices, the treasury, finance offices, customs offices, tax offices, municipalities, provinces, regions, state property offices and any other public office or body;
- Representation of the Company in ordinary Shareholders' Meetings of subsidiaries and associates: to represent the Company in ordinary Shareholders' Meetings of subsidiaries and associates limited to the discussion of matters relating to ordinary management and within the scope of the delegated powers provided for in the previous points.
- Implementation: to implement Board of Directors motions.

At the Report Date, Mr. Enrico Rampin is also a member of the Boards of Directors of the following WIIT subsidiaries: Adelante S.r.l. and Matika S.p.A.

### **Francesco Baroncelli**

Mr. Francesco Baroncelli, Chief Mergers & Acquisition Officer, is granted the following powers:

- Corporate signature: to sign all business, confidential and private correspondence by name preceded by office and Company name.
- Sales contracts: to sign sales contracts up to Euro 1,000,000 per contract per year to purchase, sell, also for ongoing contracts, exchange, import and export machinery, goods and any other product and service relating to the company business, setting prices, terms and conditions, and granting, where appropriate, rebates and discounts; to purchase, sell and exchange vehicles, carrying out all the necessary paperwork at the Automobile Public Register and any other competent office.
- Contracts in general: to enter into and withdraw from any other contract relating to the



ordinary management of the Company up to Euro 20,000 per contract, to carry out all necessary activities to identify investment and business opportunities, including identifying potential shareholding acquisitions and relevant opportune general terms and conditions, it being understood that individual acquisitions will, in any case, need to be approved by the Board of Directors.

- Relations with the public administration: to represent the Company in relations with public, local and territorial administrations and chambers of commerce, carrying out any relevant formalities or transactions, including signing and submitting applications, appeals and documents of any kind, stipulating deeds and contracts, and establishing and withdrawing securities in relation to ministries, public debt offices, deposit and loan funds, revenue offices, the treasury, finance offices, customs offices, tax offices, municipalities, provinces, regions, state property offices and any other public office or body.
- Representation of the Company in ordinary Shareholders' Meetings of subsidiaries and associates: to represent the Company in ordinary Shareholders' Meetings of subsidiaries and associates limited to the discussion of matters relating to ordinary management and within the scope of the delegated powers provided for in the previous points.
- Implementation: to implement Board of Directors motions.

At the Report Date, Mr. Francesco Baroncelli is also a member of the Boards of Directors of the following WIIT subsidiaries: Adelante S.r.l. (Chief Executive Officer), Matika S.p.A. and Etaeria S.r.l.

#### **4.4.2 Chairperson of the Board of Directors**

For information on the powers granted to WIIT's Chairperson of the Board of Directors, Riccardo Mazzanti, see Section 4.4.1 of this Report.

The Chairperson of the WIIT Board of Directors, Riccardo Mazzanti, is not: (i) the main person responsible for the management of the Issuer; nor (ii) the controlling shareholder of the Issuer.

#### **4.4.3 Executive Committee**

The Board of Directors has not established an Executive Committee.

#### **4.4.4 Reporting to the Board of Directors**

During the Year, on an at least quarterly basis, Directors reported their use of delegated powers to the Board, to allow other Directors to express their opinions on related matters.

### **4.5 OTHER EXECUTIVE DIRECTORS**

There are no other Executive Directors apart from Alessandro Cozzi, Riccardo Mazzanti, Enrico Rampin, and Francesco Baroncelli.

### **4.6 INDEPENDENT DIRECTORS**

At the Report Date, the Board of Directors consisted of the following three Independent Directors: Aldo Napoli, Riccardo Sciutto and Annamaria Di Ruscio.

The Board of Directors verified the fulfillment of the independence requirements of Article 148, Paragraph 3, and Article 147-ter, Paragraph 4, of the CFA, and of the Self-Governance Code, for the Directors Aldo Napoli, Riccardo Sciutto and Annamaria Di Ruscio at the first meeting following their appointment on November 30, 2018, publishing the outcome in a press release.

During the Board meeting of November 30, 2018, the Board of Statutory Auditors verified the correct application of the criteria and procedures adopted by the Board of Directors to assess the independence of its members.

With specific reference to Dario Albarello, a WIIT board member (initially) in possession of the independence requirements, we note that at its meeting of November 12, 2020, the Board of Directors ascertained that Mr Albarello no longer possessed the aforementioned independence requirements provided for in Articles 147-ter, paragraph 3 and 148, paragraph

3 of the CFA and the Self-Governance Code, due to his participation in the business initiative launched by ABC Capital S.r.l, a company in which Alessandro Cozzi, Executive Director and controlling shareholder of WIIT through the company WIIT Fin, is also a shareholder.

\* \* \*

The Independent Directors confirmed their independence, undertaking to promptly notify the Board of Directors and the Board of Statutory Auditors of any change in this regard, upon their acceptance of the office, or by written communication sent to the Company at the beginning of each financial year following that of their appointment. Thus, on March 19, 2020, the Board of Directors confirmed the continued fulfillment of the independence requirements of the Independent Directors.

#### **4.7 LEAD INDEPENDENT DIRECTOR**

Pursuant to Criterion 2.C.4. of the Self-Governance Code, "*the Board of Directors shall designate an Independent Director as the Lead Independent Director in the following cases: (i) if the Chairperson of the Board of Directors is the Chief Executive Officer; and/or (ii) if the office of Chairperson is held by the person who controls the issuer.*"

Considering that the Chairperson of the Board of Directors is not the person chiefly responsible for the management of the Company or the person who controls the Issuer, as per the recommendations contained in Application Criteria 2.C.3 and 2.C.4 of the Self-Governance Code, the Board of Directors has not deemed it necessary to appoint an Independent Director as Lead Independent Director.

## **5 PROCESSING OF CORPORATE INFORMATION**

### **5.1 INSIDE INFORMATION POLICY**

On March 18, 2019, the Board of Directors approved an update to the Company's Inside Information Policy, first approved in 2017.

On the same date, the Board approved an update to the procedure for the management, maintenance and updating of the registers of persons: (i) having access to inside information, and (ii) having access to information that may later assume the character of inside information; as first approved in 2017.

The aforementioned procedures are made available to the public on the Company's website ([www.wiit.cloud](http://www.wiit.cloud)), in the *Company/Governance* section.

## **6 INTERNAL COMMITTEES TO THE BOARD (PURSUANT TO ARTICLE 123-BIS, PARAGRAPH 2, LETTER D), CFA)**

In line with the Self-Governance Code, at its meeting on November 30, 2018 the Board of Directors set up two Internal Board Committees: the Control, Risks and RPT Committee and the Appointments and Remuneration Committee.

Without prejudice to the Related Party Transactions (RPT) Policy, in carrying out its duties, each committee may make use of all the necessary company information and departmental resources, and, if deemed necessary, of external consultants, using the relevant financial resources released by the Board of Directors.

The Board did not reserve the functions assigned by the Self-Governance Code to one or more committees.

For further information on the composition and activities of the Appointments and Remuneration and Committee, and the Control, Risks and RPT Committee, see the following Sections 7 and 9 respectively.

## **7 THE APPOINTMENTS COMMITTEE**

The Board of Directors has established an internal Appointments and Remuneration Committee with responsibilities as per Principles 5.P.1. and 6.P.3. of the Self-Governance Code.

### **7.1 COMPOSITION AND OPERATION OF THE APPOINTMENTS AND REMUNERATION COMMITTEE (PURSUANT TO ARTICLE 123-BIS, PARAGRAPH 2, LETTER D), CFA)**

The Appointments and Remuneration Committee meets with the frequency its Chairperson deems appropriate for its mandate, with there being no pre-established calendar of meetings for each financial year. The work of the Appointments and Remuneration Committee is co-ordinated by its Chairperson.

The meetings of the Appointments and Remuneration Committee are regularly minuted and reported by the Chairperson to the next available meeting of the Board of Directors.

The members of the Appointments and Remuneration Committee in office at the Report Date were appointed by the Board of Directors on November 30, 2018, effective from the commencement of trading of WIIT shares on the MTA.

At the Report Date, the Appointments and Remuneration Committee is composed of the following Directors, at least one of whom is an expert in accounting and finance and/or remuneration policies:

- Riccardo Sciutto (Chairperson, independent);
- Dario Albarello;
- Annamaria Di Ruscio (independent).

Dario Albarello was evaluated as a member of the Appointments and Remuneration

Committee with adequate knowledge and experience in the areas of finance or remuneration policy.

During the Year, the Appointments and Remuneration Committee held 1 meeting, lasting approximately 2 hour.

In FY 2021, as of the Report Date, the Committee has met once, for approximately 1 hour.

## **7.2 DUTIES OF THE APPOINTMENTS AND REMUNERATION COMMITTEE**

The Appointments and Remuneration Committee performs the following functions:

- a. makes proposals to the Board of Directors on the Company's annual remuneration policy for Directors and Senior Executives, submitting this in advance to a non-binding vote of the Shareholders' Meeting pursuant to Article 123-ter, paragraph 6 of the CFA;
- b. periodically assesses the suitability, overall consistency and tangible application of the remuneration policy for Directors and Senior Executives. In the latter regard, it makes use of information provided by the Chief Executive Officers; it formulates proposals to the Board of Directors in this area;
- c. presents proposals or expresses opinions to the Board of Directors on the remuneration of Executive Directors and other Senior Directors, and establishes the performance targets related to the variable component of this remuneration; monitors the application of the decisions adopted by the Board of Directors, verifying, in particular, the achievement of the performance targets;
- d. assists the Board of Directors in the preparation and implementation of (i) remuneration plans based on shares or other financial instruments, and (ii) medium to long-term incentive plans;
- e. reports to shareholders on the performance the above tasks, through participation of the Chairperson or another member of the Appointments and Remuneration Committee at the annual Shareholders' Meeting.
- f. draws up opinions for the Board of Directors in relation to the size and composition of the Board and expresses recommendations on the professional roles whose presence on the Board of Directors is considered beneficial;
- g. makes recommendations to the Board of Directors in relation to the maximum number of positions as Director or Statutory Auditor in other companies on regulated markets (also foreign), in financial, banking and insurance companies and companies of a significant size, which can be considered compatible with a current undertaking of the office of Director of the Issuer, taking account also of the involvement of Directors in internal Board Committees.
- h. makes recommendations to the Board of Directors with regard to any difficulties related to the application of the non-competition requirement to Directors by Article 2390 of the Civil Code, where the Company's Shareholders' Meeting, in order to meet organizational requirements, has authorized a general and prior exception to this prohibition;
- i. proposes to the Board of Directors candidates for the office of Director in the cases of co-option, or to replace Independent Directors;
- j. undertakes the preparatory works for the drawing up of an Executive Directors' succession plan, where the Board of Directors has decided to adopt such.

Directors must abstain from participating at the Committee meetings where the proposals to the Board relative to their remuneration are drawn up.

In carrying out its functions, the Appointments and Remuneration Committee has full access to the information and relevant departments necessary to perform its role. The Appointments and Remuneration Committee may also make use of external advisors.

\* \* \*

As regards the implementation - including in view of the market context in which the Group operates - of the principles and related application criteria set out in the Self-Governance Code, see the Remuneration Report prepared pursuant to Article 123-ter of the CFA and related enacting regulations, available on the Company's website ([www.wiit.cloud](http://www.wiit.cloud)), in the *Investors/Shareholders' Meeting* section.

## **8 REMUNERATION OF DIRECTORS**

The information in this Section is contained in the Remuneration Report, made available on the Company's website ([www.wiit.cloud](http://www.wiit.cloud)), in the *Investors/Shareholders' Meeting* section, and disclosed by other methods as per current legislation.

## **9 THE CONTROL, RISKS AND RELATED PARTIES COMMITTEE**

Established by the Board of Directors, the Internal Control, Risks and RPT Committee is assigned the functions provided for in Principle 7.P.3., letter (a), No. (ii), Principle 7.P.4. and Article 4, paragraph 3 of the Consob RPT Regulation.

### **9.1 COMPOSITION AND OPERATION OF THE CONTROL, RISKS AND RELATED PARTIES COMMITTEE (PURSUANT TO ARTICLE 123-BIS, PARAGRAPH 2, LETTER D) CFA)**

The Control, Risks and RPT Committee is composed of three Non-Executive Directors, two thirds of whom are Independent Directors, with at least one an expert in accounting, financial and risk management matters.

The Control, Risks and RPT Committee meets at least twice a year, and whenever the Chairperson of the Committee or at least two members deem it necessary, with there being no pre-established calendar of meetings for each financial year. The work of the Control, Risks and RPT Committee is coordinated by its Chairperson.

The meetings of the Control, Risks and RPT Committee are regularly minuted and reported by the Chairperson to the next useful meeting of the Board of Directors.

The Control, Risks and RPT Committee in office at the Report Date were appointed by the Board of Directors on November 30, 2018, effective from the commencement of trading of WIIT shares on the MTA.

The Control, Risks and RPT Committee in office at the Report Date is composed of the following Directors:

- Riccardo Sciutto (Chairperson, independent);
- Dario Albarello;
- Aldo Napoli (independent).

On November 12, 2020, Riccardo Sciutto was appointed Chairperson to replace Dario Albarello (who no longer met the independence requirements), who remains a member of the committee.

Aldo Napoli was assessed as a member of the Control, Risks and RPT Committee with adequate knowledge and experience in accounting, finance and risk control and management.

During the Year, the Control, Risks and RPT Committee held 3 meetings, with an average duration of 1.5 hours. All members of the Control, Risks and RPT Committee participated in the meetings held during the Year. In addition, invited guests participated on certain occasions, including: the Internal Audit Manager (as defined below, in the person of Massimiliano Rigo), Luca Valdameri (Chairperson of the Board of Statutory Auditors), and representatives of the Independent Audit Firm.

The Executive Officer for Financial Reporting attended the meetings of the Control, Risks and RPT Committee as a permanent invitee where matters concerning the duties allocated to the role are dealt with, in order to facilitate a functional and beneficial exchange of information

concerning the effective functioning and reliability of the administrative and accounting processes.

In FY 2021, as of the Report Date, the Committee has met once, for approximately 1 hour.

## **9.2 CONTROL, RISKS AND RELATED PARTIES COMMITTEE FUNCTIONS**

The Control, Risks and RPT Committee performs the following tasks:

- a. together with the Executive Officer for Financial Reporting and following consultation with the independent auditors and the Board of Statutory Auditors, evaluating the correct application of the accounting principles and, in the case of groups, their uniformity in the preparation of the consolidated financial statements;
- b. expressing opinions on specific aspects concerning the identification of the principal corporate risks;
- c. examining the periodic reports concerning the evaluation of the Internal Control and Risk Management System, and those of particular size, prepared by the Internal Audit Manager;
- d. monitoring the autonomy, adequacy, effectiveness and efficiency of the Internal Audit Manager;
- e. requesting that the Internal Audit Manager carry out checks on specific operational areas, simultaneously communicating such to the Chairperson of the Board of Statutory Auditors;
- f. reporting, at least every six months, on the approval of the annual and half-year accounts, to the Board of Directors on the work carried out and on the adequacy of the Internal Control and Risk Management System;
- g. supporting, with appropriate investigative activities, the evaluations and decisions of the Board of Directors concerning the management of risks from events which the Board of Directors becomes aware of;
- h. expressing its opinion to the Board of Directors regarding:
  - the definition (by the Board of Directors) of the guidelines of the Internal Control and Risk Management System, so that the main risks connected to the Issuer and its subsidiaries are correctly identified, and adequately measured, managed and monitored, in addition to determining the criteria of compatibility of these risks in line with the strategic objectives of the Company;
  - the periodic evaluation (by the Board of Directors), at least annually, of the adequacy of the Internal Control and Risk Management System with the particular characteristics of the Company and the risk profile assumed, as well as its efficacy;
  - the approval (by the Board of Directors), at least on an annual basis, of the work plan drawn up by the Internal Audit Manager, after consultation with the Board of Statutory Auditors and the Director in charge of the Internal Control and Risk Management System;
  - the description (by the Board of Directors), in the Corporate Governance Report, of the main features of the Internal Control and Risk Management System and the coordination between parties involved in it, expressing its assessment on its overall adequacy;
  - the evaluation (by the Board of Directors), after consultation with the Board of Statutory Auditors, of the results of the auditing firm's letter of recommendations and of the report on fundamental questions arising during the audit of the accounts;
  - the appointment and dismissal (by the Board of Directors) of the Internal Audit Manager;

- the verification (by the Board of Directors) of the adequacy of the resources provided to the Internal Audit Manager in relation to the responsibilities defined; the definition (by the Board of Directors) of the remuneration of the Internal Audit Manager.
- i. performing the relevant role and functions regarding related party transactions, which the Consob RPT Regulation assigns to committees consisting entirely or in the majority of Independent Directors.

We note that the Control, Risks and RPT Committee performs the functions of the Related Parties Committee, as described in Section 11 of this Report below.

\* \* \*

During the Year, and up to the Report Date, the Control, Risks and RPT Committee advised the Board of Directors on the Internal Control and Risk Management System, as per the provisions of the Code, and, among other tasks:

- monitored the autonomy, adequacy, effectiveness and efficiency of the role of the Internal Audit Manager;
- completed the Group Risk Assessment, with the aid of the Director in charge of the Internal Control and Risk Management System, and the Internal Audit Manager;
- evaluated, together with the Executive Officer for Financial Reporting and following the approval of the independent audit firm and the Board of Statutory Auditors, the correct application of the accounting standards and their uniformity in the preparation of the consolidated financial statements;

## 10 INTERNAL CONTROL AND RISK MANAGEMENT SYSTEM

### 10.1 PURPOSES OF WIIT'S INTERNAL CONTROL AND RISK MANAGEMENT SYSTEM

WIIT has adopted an Internal Control and Risk Management System (the “ICRMS”) which brings together the rules, procedures and organizational structures which enable the identification, measurement, management and monitoring of the principal risks.

The Internal Control and Risk Management System (ICRMS) consists of technical accounting tools, data and process solutions used by management to support planning and control activities. The ICRMS consists of four main phases:

- Planning: the set of activities for defining corporate strategy, strategic goals, and the actions to achieve them;
- Organizing Resources: in order to follow through with the planned actions;
- Leading Resource & Operating: mobilization of the resources;
- Controlling: monitoring of progressive results, in order to rethink or adjust actions.

The ICRMS provides for the assignment of responsibilities to well-identified individuals within the Group, in order to guarantee the monitoring of critical success factors (CSFs) and critical risk factors (CRFs) through key performance indicators (KPIs) and key risk indicators (KRIs), and other control mechanisms. The activities included in these aforementioned main phases make use of:

- planning and control tools for defining and monitoring company performance in relation to the Business Plan, Budget, Forecast and Final Results;
- technical accounting tools and indicators for supporting decision-making processes and planning and control activities;
- a planning and reporting system to orient the Company to strategy and monitor indicators with the greatest impact on value creation;
- an information system to selectively collect, organize and disseminate information, and focus management on strategic variables with the potential to create economic value over time.

Within the ICRMS, the following responsibilities are assigned.

#### Board of Directors

The Board of Directors is responsible for:

- defining ICRMS guidelines and regularly verifying the effectiveness of the system, guaranteeing that key value drivers and main business risks are appropriately identified, monitored and managed;
- examining and approving the Company's strategic, business and financial plans, corporate governance system, and structure;
- determining relevant criteria to identify the strategic importance of subsidiaries, assessing the adequacy of the organizational, administrative and general accounting structure of the Company, and managing conflicts of interest;
- assigning and revoking powers delegated to General Managers, defining their limits, methods and frequencies for reporting to the Board of Directors;
- evaluating the general operational performance, taking into account, in particular, the information received from executives, as well as periodically comparing the results with the budgets;
- examining and approving the operations with significant strategic, economic, or financial importance for the Group, with particular attention to the situations in which one or more Directors have an interest on their own behalf or on behalf of third parties



and, in general, in the related party transactions; it also establishes general criteria to identify significant transactions.

#### Board of Statutory Auditors

The Board of Statutory Auditors, as per current legislation, has the task of monitoring:

- compliance with law and the company By-Laws and with the principles of correct administration;
- the adequacy and reliability of the organizational structure of the administrative accounting and reporting system;
- the adequacy of the structure and functioning of the ICRMS;
- the adequacy of instructions to subsidiaries regarding information to be provided in order to fulfill disclosure obligations.

#### Supervisory Board

The Supervisory Board is responsible for monitoring:

- compliance with rules of conduct;
- the adequacy of risk mitigation and disciplinary procedures in dealing with any improper conduct by Directors, employees, consultants and business partners.

#### Appointments and Remuneration Committee

The Appointments and Remuneration Committee is responsible for:

- drawing up opinions for the Board of Directors in relation to the size and composition of the Board and expresses recommendations on the professional roles whose presence on the Board of Directors is considered beneficial, and proposing candidates for the position of Director in the event of co-option, when Independent Directors need to be replaced;
- periodically assessing the adequacy, overall consistency and application of the remuneration policy for the Directors and Senior Executives, presenting proposals regarding the remuneration of Directors and monitoring the application of decisions made by the Board itself.

#### Control, Risks and RPT Committee

The Control, Risks and RPT Committee is responsible for:

- advising the Board of Directors on risk control and management;
- assessing the correct utilization of the accounting policies applied and their uniformity in the preparation of the consolidated financial statements;
- expressing opinions on specific aspects concerning the identification of the principal corporate risks;
- examining the periodic reports concerning the evaluation of the Internal Control and Risk Management System, and those of particular size, prepared by the Internal Audit Manager;
- monitoring the autonomy, adequacy, effectiveness and efficiency of the Internal Audit Manager;
- requesting that the Internal Audit Manager carry out checks on specific operational areas, simultaneously communicating such to the Chairperson of the Board of Statutory Auditors;
- reporting, at least every six months, on the approval of the annual and half-year accounts, to the Board of Directors on the work carried out and on the adequacy of the Internal Control and Risk Management System;

- expressing a non-binding, reasoned opinion, in cases where a transaction is deemed to be with a related party, on the Company's interest in carrying out the transaction, and on the convenience and correctness of relevant conditions.

#### Chief Executive Officer

The Chief Executive Officer is responsible for the general organizational and administrative structure of the Company, and for the identification, management and communication to the Board of Directors of corporate risks, trends in economic and managerial performance indicators, and the structure of the management and reporting system.

Regarding the ICRMS, the CEO is responsible for:

- defining Group policies and strategic goals;
- company results and Company defined goals;
- monitoring Company performance and goal achievement;
- managing operational and financial controls.

#### Chief Financial Officer

The Chief Financial Officer (CFO) is responsible for:

- coordinating, managing and supervising the activities of the Administration Office;
- coordinating, managing and supervising the preparation of the Group's financial statements as per international accounting standards (IAS and IFRS);
- coordinating, managing and supervising treasury activities;
- supporting the CEO in defining economic policies and managing the relevant decision-making process;
- maintaining relations with the Independent Audit Firm and Supervisory Board;
- coordinating functionally dependent resources in preparing the Business Plan, Budget and management reporting;
- preparing the Group Budget and Business Plan, and economically evaluating its sustainability;
- monitoring credit exposure and initiating opportune debt recovery initiatives.

#### Administrative Managers of subsidiaries

Administrative Managers of the subsidiaries of the Parent Company are responsible for:

- preparing the forecast of the relevant subsidiary;
- preparing the management reporting of the relevant subsidiary;
- preparing the financial statements of the relevant subsidiary.

#### Administration Office

The Administration Office is responsible for the following activities:

- supervising the drafting of financial statements, accounting situations, and monthly, quarterly and half-yearly statutory and management reports;
- preparing annual and consolidated financial statements, and condensed consolidated, half-year financial statements;
- preparing the relevant forecast.

#### Internal Audit Manager

The Internal Audit Manager is responsible for:

- verifying that the ICRMS is adequate, effective and consistent with the Board-defined guidelines;
- reporting to the Chairperson of the Board of Directors, and to the Internal Control, Risks and Related Parties Committee.

## **10.2 DIRECTOR IN CHARGE OF THE INTERNAL CONTROL AND RISK MANAGEMENT SYSTEM**

The Executive Director in charge of overseeing the Internal Control and Risk Management System, Alessandro Cozzi, carried out the following activities during the year:

- identified the main business risks (strategic, operational, financial and compliance), taking into account the characteristics of the activities undertaken by the Company and by its subsidiaries, to present them for review by the Board of Directors;
- implemented the guidelines defined by the Board of Directors, and supervised the planning, realization and management of the internal control system, constantly verifying its overall adequacy, efficiency and effectiveness;
- adapted the system to the dynamics of the Group's operating conditions and legal and regulatory framework.

The Director in charge of the Internal Control and Risk Management System has the power to request that the Internal Audit Manager make assessments of the main operating areas and verify compliance with internal rules and procedures in the execution of business operations, simultaneously informing the Chairperson of the Board, the Chairperson of the Control, Risks and Related Parties Committee and the Chairperson of the Board of Statutory Auditors.

S/he reports promptly to the Control, Risks and RPT Committee with regards to any problems or critical issues emerging during the execution of their activities or of which they have become aware, so as to ensure that the Committee (or the Board) may take appropriate initiatives.

## **10.3 INTERNAL AUDIT MANAGER**

On March 5, 2019, the Board of Directors appointed Key Advisory S.r.l. as the **Internal Audit Manager**, on the proposal of the Director in charge of the ICRMS, following the favorable opinion expressed by the Control, Risks and RPT Committee, and the Board of Statutory Auditors, effective from the start of the trading of WIIT shares on the MTA.

An external party was appointed to cover the Internal Audit Manager role since the Board of Directors recognized an added value for WIIT in the flexibility, professionalism, independence, organizational competence and relevant audit experience for other listed companies of this particular party.

We note that, at the Report Date, there are no corporate links between WIIT and the Internal Audit Manager.

The Internal Audit Manager:

- verifies, on an ongoing basis and in relation to specific needs and in compliance with international standards, the operation and suitability of the Internal Control and Risk Management System, through an audit plan, approved by the Board of Directors, based on a structured analysis process and prioritization of principal risks;
- is not responsible for any operational areas and hierarchically reports to the Board of Directors;
- had direct access to all the necessary information to carry out its duties;
- prepared periodic reports containing sufficient information on activities, on the manner in which risk management is carried out, and compliance with the plans for their containment, and also prepared an evaluation of the adequacy of the Internal Control and Risk Management System;

- sent the reports set out in the previous points to the Chairpersons of the Board of Statutory Auditors, of the Control, Risks and RPT Committee and of the Board of Directors, and also to the Director in charge of the Internal Control and Risk Management System;
- verified the reliability of the IT accounting systems that are part of the audit plan, including accounting systems.

The Internal Audit Manager's main activities in the Year included the following:

- business risk assessment and reporting to the Director in charge of the Internal Control and Risk Management System and the Control, Risks and RPT Committee;
- coordination of the planning and execution of Internal Audit Team activities;
- audit of company procedures;
- regular meetings with company management, the Board of Statutory Auditors, the Supervisory Board and the Control, Risks and RPT Committee;
- interviews with the management of the Company and of certain subsidiaries, in order to acquire useful information for audit activities;
- documentary analysis relating to the following areas and processes:
  - o financial reporting and consolidation processes;
  - o human resource management;
  - o M&A activities;
  - o IT Security;
  - o insurance management;
  - o Control, Risks and RPT Committee activities;
  - o Supervisory Board activities;
  - o compliance and adaptation to the provisions of Legislative Decree No. 231/01;
  - o preparation of the audit report, with the results of the various activities.

#### **10.4 ORGANIZATION MODEL PURSUANT TO LEGISLATIVE DECREE NO. 231/2001**

The Company adopted an Organization, Management and Control Model, as per Article 6 of Legislative Decree No. 231/2001, on July 30, 2013.

The 231 Model has been updated several times, following regulatory changes introduced after its adoption, with its current form approved by the Board of Directors on March 19, 2020.

Updates have included, in particular, provisions regarding offenses against the public administration, corporate offenses, market abuse offenses, occupational safety offenses, copyright violations, the receiving of stolen goods, money laundering, self-laundering, use of money, goods or instruments of illicit origin, computer offenses, improper data handling, industry and trade offenses, industrial property offenses, transnational organized crime, inducement not to make declarations or to make false declarations to judicial authorities, and environmental offenses, depending on the relative risk of committing of such offenses.

The 231 Model also provides for the establishment of a collegial Supervisory Board consisting of a Non-Executive Director member of the Control, Risks and RPT Committee, Dario Albarello, Mirko Fabiani (a WIIT employee) and an expert, Luigi Graziosi, who is unrelated to the corporate structure and who possesses adequate knowledge of corporate controls including as regards issues related to administrative responsibility under Legislative Decree No. 231/2001. The Supervisory Board, entrusted with supervising compliance with the 231 Model, and its effectiveness, adequacy and updating, has approved its own internal regulation and planning, and reports periodically, and in any situations of particular urgency, to the Board of Directors, the Control, Risks and RPT Committee, and the Board of Statutory Auditors.

During the Year, the Supervisory Board held four meetings.

The General Part of the Organization, Management and Control Model can be consulted on the Company's website ([www.wiit.cloud](http://www.wiit.cloud)), in the *Company/Governance* section.

An integral element of the Model is the WIIT Group's Code of Ethics (available on the WIIT website, [www.wiit.cloud](http://www.wiit.cloud), in the *Company/Governance* section), the current version of which was approved by the Issuer's Board of Directors on October 26, 2017.

#### **10.5 INDEPENDENT AUDIT FIRM**

The Issuer's ordinary Shareholders' Meeting of May 19, 2017 appointed Deloitte & Touche S.p.A. to carry out the legal audit of the Issuer's financial statements and consolidated financial statements and to verify the regularity of the company accounts and the correct recognition of operating events in the accounting records for the financial years 2017-2019, pursuant to Legislative Decree No. 39/2010.

In light of WIIT's imminent listing and share trading on the MTA, and acquirement of the status of "public interest body" as per Article 16 of Legislative Decree No. 39/2010, the Issuer's Shareholders' Meeting resolved, on November 30, 2018, to appoint an independent audit firm, as per Articles 13 and 17 of Legislative Decree No. 39/2010, effective from the commencement of trading of WIIT shares on the MTA, for the auditing of: (i) the financial statements of the financial years 2018-2026 at December 31, in relation to the Company's statutory financial statements and WIIT Group's consolidated financial statements; and (ii) the condensed half-year financial statements for the half-years ending June 30 of the financial years 2019-2027.

#### **10.6 EXECUTIVE OFFICER FOR FINANCIAL REPORTING**

At the Report Date, WIIT's CFO, Stefano Pasotto, is its **Executive Officer for Financial Reporting**, as appointed by the Board of Directors on November 30, 2018, in consideration of his relevant accounting experience <sup>(4)</sup>.

The appointment of Stefano Pasotto as Executive Officer for Financial Reporting was made as per the Company's By-Laws regarding appointments and professional requirements. As per Article 22 of the By-Laws, the Executive Officer for Financial Reporting must have at least five years of significant professional experience in accounting, economics and finance and must meet any additional requirements set by the Board of Directors and/or by applicable law and regulations.

The Executive Officer for Financial Reporting is assigned, among others, the following tasks: (i) drawing up accompanying written statements for accounting information disclosed to the market; (ii) preparing adequate administrative and accounting procedures for preparing financial statements and other financial communications; and (iii) certifying, with a report on the financial statements, the adequacy and effectiveness of administrative and accounting procedures, compliance with international accounting standards, and the statements' adequacy in providing a truthful and proper representation of the Company's equity and economic and financial position.

#### **10.7 COORDINATION OF THE PARTIES INVOLVED IN THE INTERNAL CONTROL AND RISK MANAGEMENT SYSTEM**

The Company has established the following coordination methods between the various parties involved in the Internal Control and Risk Management System (i.e. the Board of Directors, the Director in charge of the Internal Control and Risk Management System, the Control, Risks and RPT Committee, the Internal Audit Manager, the Executive Officer for Financial Reporting, the Supervisory Board, and the Board of Statutory Auditors):

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<sup>(4)</sup> We note that, before becoming WIIT's CFO, Stefano Pasotto worked at: (i) Elekta S.p.A. (the Italian branch of the Swedish multinational medical equipment group), as sole accountant and officer for financial reporting; (ii) Ritrama Group (the chemical sector leader in manufacturing self-adhesive materials), as accountant and officer for financial reporting; (iii) Proximm S.p.A. (belonging to RE/MAX Group), as administration and HR manager.

- participation in meetings of the Control, Risks and RPT Committee by the Internal Audit Manager, the Board of Statutory Auditors, members of the Supervisory Board, and the Executive Officer for Financial Reporting;
- minuting of the Control, Risks and RPT Committee meetings.

## 11 RELATED PARTY TRANSACTIONS

At its meeting on March 18, 2019<sup>(5)</sup>, and with the favorable opinion of the Independent Directors, WIIT's Board of Directors, adopted the "WIIT S.p.A. Related Party Transactions Policy" (the "**RPT Policy**").

The RPT Policy lays down the rules for identifying, reviewing, approving and executing related party transactions concluded by the Company directly or through its subsidiaries. The main aims of the RPT Policy are: (i) to identify the categories of related parties and transactions of significant strategic, economic or financial importance, to which specific authorization and/or disclosure mechanisms apply; (ii) to serve as a helpful guide to be referred to by the functions involved in the process, each within its remit, and (iii) to help safeguard the Company's financial integrity and operating continuity.

The RPT Policy is made available on the Company's website ([www.wiit.cloud](http://www.wiit.cloud)), in the *Company/Governance* section.

## 12 APPOINTMENT OF STATUTORY AUDITORS

The appointment and replacement of Statutory Auditors is governed by current legislation and by Article 21 of the Company's By-Laws.

As per Article 21 of the By-Laws, the Board of Statutory Auditors consists of three (3) Statutory Auditors and two (2) Alternate Auditors. The Statutory Auditors must qualify as independent as prescribed by law. They are appointed for a period of 3 (three) years which expires on the date of the Shareholders' Meeting called for the approval of the financial statements relating to the final year in office.

Statutory Auditors are appointed on the basis of slates, in accordance with the procedures illustrated below. Each slate must indicate at least one (1) candidate for the office of Statutory Auditor and one candidate for the office of Alternate Auditor and may include up to a maximum of three (3) candidates for the office of Statutory Auditor and two (2) candidates for the office of Alternate Auditor. The candidates are listed by progressive numbering. The slate is composed of two sections: one for the candidates for the office of Statutory Auditor and the other for candidates for the office of Alternate Auditor. Subject to ineligibility, each candidate may appear only on one slate. For slates which in the Statutory Auditors section include three (3) candidates, candidates must be included of the other gender in the first two (2) positions of the said section and in the first two (2) positions of the Alternate Auditors section.

Shareholders who, individually or collectively, possess the minimum holding required by the By-Laws for the presentation of slates for the appointment of members of the Board of Directors have the right to present slates. A shareholder may not present or contribute or vote upon more than one slate, even if through a nominee or a trust company.

The ownership of the minimum holding necessary to present slates is established considering (i) the shares which are registered to the shareholder on the day on which the slates are filed with the Company and (ii) the Company's share capital on that same date. The relative ownership certificate may be sent after filing of the slate, although by the deadline for the publication of slates by the Company.

The slates, accompanied by the *curricula vitae* of the designated individuals and signed by the shareholders submitting them, must be filed with the registered office by the 25th (twenty-fifth)

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<sup>(5)</sup> The RPT Policy was approved by the Company's Board of Directors on March 18, 2019, with entry into force contingent on the commencement of trading of WIIT's ordinary shares on the MTA. The RPT Policy, after the trading commencement date of WIIT shares on the MTA, was submitted to the opinion of the Control, Risks and RPT Committee, and, for final approval, to the Board of Directors.

day prior to the date of the Shareholders' Meeting in first or single call, without prejudice to the legal filing period for notices of meeting after the first, and made available to the public according to the applicable law and regulations. Without prejudice to the option of submitting certification of possession of the equity interest by the deadline set out in Article 21.8 of the By-Laws, information concerning the following must also be provided upon submission of the slate: (i) information regarding the identity of the shareholders who submitted the slate, with an indication of the total shareholding possessed, (ii) a *curriculum vitae* of each candidate containing thorough information about his or her personal and professional profile and (iii) the additional information required by applicable law and regulations to be indicated in the call notice of the Shareholders' Meeting. Shareholders other than those who separately or jointly hold a controlling or relative majority shareholding must also submit a declaration certifying the absence of connecting relationships with these latter shareholders. This same deadline applies to the filing of the declarations by which the individual candidates accept their candidature and declare, in good faith, that they are not subject to any grounds of ineligibility or incompatibility in accordance with the law, comply with the limit on concurrent positions set out in Article 21.10 of the By-Laws and meet the requirements set out by the applicable law and regulations and by the By-Laws for members of Boards of Statutory Auditors, along with a list of offices of direction and control occupied by the candidates at other companies.

Persons who hold direction or control positions exceeding the limits established by applicable law and regulations may not be appointed as Statutory Auditors.

Slates presented in violation of the above rule are considered not presented and are not voted upon.

The procedure for electing Statutory Auditors is as follows:

- a) from the slate which obtained the highest number of votes at the Shareholders' Meeting, based on the progressive order on the slate, 2 (two) Statutory Auditors and 1 (one) Alternate Auditor are elected;
- b) the remaining Statutory Auditor and the other Alternate Auditor are drawn from the slate which obtained the second-highest number of votes among those submitted and voted for by shareholders who are not connected to the shareholders of reference as defined in Article 148, paragraph 2, of the CFA, in the sequential order in which they are presented in the sections of the slate.

Where multiple slates have received the same number of votes, a fresh round of balloting takes place between these slates, in accordance with applicable law and regulations, with the candidates from the slate attaining a simple majority deemed elected.

The first candidate in the section referring to candidates for the office of Statutory Auditor appointed in accordance with Article 21.12 b) of the By-Laws is elected Chairperson of the Board of Statutory Auditors.

Where the composition of the Board of Statutory Auditors resulting from the application of the above rules does not ensure compliance with the gender equality rules set out in applicable law and regulations, taking into account their order on the slates, the last elected members of the slate that received the most votes of the over-represented gender will be removed in the number necessary to ensure compliance with this requirement and be replaced by the first non-elected candidates on the same slate of the under-represented gender. In the absence of candidates from the under-represented gender of the slate which obtained the highest number of votes of a sufficient number to proceed with replacement, the Shareholders' Meeting appoints the Board member through statutory majority, ensuring compliance with the requirements.

Where only one slate is presented, the Shareholders' Meeting votes on this slate; where the slate obtains the relative majority, 3 (three) candidates shall be elected Statutory Auditor as indicated by progressive order in the relative section and 2 (two) candidates shall be elected Alternate Auditor as indicated by progressive order in the relative section; the Chairperson of the Board of Statutory Auditors shall be the first candidate of the section for Statutory Auditor

in the slate presented. In the event of the death, waiver or loss of office of a Statutory Auditor, he or she will be replaced by the first Alternate Auditor elected, provided that such replacement ensures gender equality in accordance with applicable law and regulations. Otherwise, he or she will be replaced by the second Alternate Auditor. If the Chairperson ceases to hold office, the Board of Statutory Auditors selects and appoints the new Chairperson from among its members, and this new Chairperson remains in office until the first Shareholders' Meeting, which must complete the composition of the Board of Statutory Auditors.

In the absence of slates, the Board of Statutory Auditors and its Chairperson are appointed by the Shareholders' Meeting by statutory majority in compliance with, among others, the applicable gender balance regulations. In cases of appointment of Statutory Auditors other than the election of the entire Board of Statutory Auditors, the Shareholders' Meeting resolves with the statutory majority in accordance with applicable law and regulations, including those governing equality of the genders.

Where multiple slates are submitted, in the event of the death, waiver or loss of office of a Statutory Auditor, he or she will be replaced by the first Alternate Auditor from the same slate as outgoing Auditor, provided that such replacement ensures gender equality in accordance with applicable law and regulations. Otherwise, he or she will be replaced by the second Alternate Auditor. The following procedures apply to the completion of the composition of the Board of Statutory Auditors by the Shareholders' Meeting: where Auditors elected from the Majority Slate are to be replaced, they are appointed by the vote in favor of a relative majority, without being tied to slates, in accordance with applicable law and regulations, including with regard to gender equality; where, on the other hand, Auditors elected from the Minority Slate are to be replaced, they are appointed by relative majority vote, from among the candidates presented in the slate from which the Auditor to be replaced was taken or, where this is not possible, from the candidates included in any additional Minority Slates, in accordance with applicable law and regulations, including with regard to gender equality. In the absence of candidates on the Minority Slate or Slates, the Auditors are appointed by voting for one or more slates, consisting of a number of candidates not exceeding those to be elected, presented prior to the Shareholders' Meeting in accordance with the provisions set out in this Article with regard to the appointment of the Board of Statutory Auditors, it being understood that slates may not be presented (and will be void if presented) by the shareholders of reference or shareholders connected to them, as defined in applicable law and regulations. The candidates from the slate that obtained the most votes will be elected.



### 13 COMPOSITION AND OPERATION OF THE BOARD OF STATUTORY AUDITORS (PURSUANT TO ARTICLE 123-BIS, PARAGRAPH 2, LETTER D), CFA)

The Company's Board of Statutory Auditors in office at the Report Date was appointed by the Issuer's Ordinary Shareholders' Meeting of November 30, 2018, for a period of three years, until approval of the financial statements at December 31, 2020.

The appointment was not made using the slate voting mechanism because it took place before WIIT's ordinary shares were listed on the MTA and the Company was therefore not yet subject to the provisions of Article 148 of the CFA.

The table below sets out the composition of the Issuer's Board of Statutory Auditors at the Report Date:

Office	Name
Chairperson	Luca Valdameri
Statutory Auditor	Paolo Ripamonti
Statutory Auditor	Nathalie Brazzelli
Alternate Auditor	Guido Giovando
Alternate Auditor	Fabrizia Pecunia

Meeting on November 30, 2018, the Board of Directors verified the integrity and professionalism requirements of all members of the Board of Statutory Auditors as per Article 148, Paragraph 4 of the CFA, and Implementing Regulation of the Justice Ministry No. 162/2000. In the same meeting of November 30, 2018, the Board of Directors also verified the independence requirements as per Article 148, paragraph 3 of the CFA and the combined provisions of Articles 3 and 8 of the Self-Governance Code for all members of the Board of Statutory Auditors.

Below is a summary curriculum vitae of each member of the Board of Statutory Auditors, indicating their most relevant expertise.

**Luca Valdameri:** born in Milan on November 13, 1968. Degree in Business Economics from the Cattolica del Sacro Cuore University of Milan. Since 1996, he has been a member of the Order of Chartered Accountants of Milan, with Membership No. 4773, and, is a registered Statutory Auditor, as per Ministerial Decree of October 15, 1999, as published in the Official Gazette No. 87 of November 2, 1999 (registration number 93953).

**Paolo Ripamonti:** born in Gallarate (VA) on May 12, 1968. Degree in Business Economics from Luigi Bocconi University (Milan). Since January 1, 1996 he has been a member of the Order of Chartered Accountants of Milan, with Membership No. 10591, Section A, and since October 15, 1999 he has been a registered Statutory Auditor, as per Ministerial Decree of October 15, 1999, as published in the Official Gazette No. 87 of November 2, 1999 (registration number 93435).

**Nathalie Brazzelli:** born in Busto Arsizio on April 18, 1975. Degree in Business Economics and Company Law from Luigi Bocconi University (Milan). Since 2005, she has been a member of the Order of Chartered Accountants of Milan, with Membership No. 6620, and since February 27, 2007 has been a registered Statutory Auditor, as per Ministerial Decree of February 27, 2007, as published in the Official Gazette No. 24 of March 23, 2007 (registration number 142594).

**Guido Giovando:** Born in Turin on March 28, 1971, He is Associate Professor of Business Economics at the University of Turin, having graduated in Economics from the same university. Since 1996, he has been a member of the Order of Chartered Accountants of Turin, with Membership No. 1986, and, since 1999, has been a registered Statutory Auditor, as per Ministerial Decree of November 25, 1999, as published in the Official Gazette of the Italian Republic No. 100-IV, Special Series of December 17, 1999 (with Registration No. 110486).

**Fabrizia Pecunia:** Born in La Spezia on March 13, 1973, Degree in Business and Economics from the University of Parma. Since 2012, she has been registered as a Statutory Auditor, as per Ministerial Decree of July 11, 2012, as published in the Official Gazette of the Italian Republic No. 56, Special Series of June 20, 2012 (with Registration No. 167061).

In the year, the Board of Statutory Auditors met five times, with an average meeting duration of approximately 1 hour and 30 minutes, and member attendance of 100%.

In FY 2021: (i) it is expected that the Board of Statutory Auditors will meet seven times; and (ii) at the Report Date, it has met once.

### **13.1 DIVERSITY CRITERIA AND POLICIES**

Since the WIIT Board of Statutory Auditors was elected before the Company's ordinary shares were admitted to trading on the MTA, the rules requiring that members of the Board of Statutory Auditors are elected according to a criterion that ensures gender balance, in accordance with the provisions of Article 148, Paragraph 1-*bis* of the CFA, will apply only to the first renewal of the Board of Statutory Auditors.

However, it should be noted that the current composition of the Board of Statutory Auditors is nonetheless in line with the regulations on gender balance; this compliance, which is voluntary in nature, is not taken into account for the purposes of the total term of three mandates specified by law.

The remuneration of the Statutory Auditors is commensurate with the commitment required, the importance of the role covered, in addition to the size and sector of the Company.

For information on the coordination of the Board of Statutory Auditors with other parties involved in the Internal Control and Risk Management System, see Section 10.7 of this Report.

## **14 RELATIONS WITH SHAREHOLDERS**

In order to (i) establish a flow of communications with the generality of shareholders and institutional investors, and (ii) carry out specific tasks in the management of relations with Borsa Italiana S.p.A. and Consob concerning price sensitive information, the Company established an Investor Relations department, composed, at the Report Date, of Stefano Pasotto, as Investor Relations Director, and Francesca Cocco, as External Consultant.

The provision of information to investors is also ensured by making the most relevant documentation available on a timely and ongoing basis on the Issuer's website ([www.wiit.cloud](http://www.wiit.cloud)), in the *Investors* and *Company/Governance* sections. The documentation made freely available includes all press releases to the market, periodic accounting documentation, documentation distributed during meetings with professional investors, analysts and the financial community, and any other documentation whose publication on the Issuer's website is required by applicable law.

In contributing to the drafting of press releases, and coordinating communications with the financial community, and to ensure full compliance with current legislation and confidentiality obligations, the Investor Relations Department applies the Inside Information Policy adopted by the Issuer.

## **15 SHAREHOLDERS' MEETING (PURSUANT TO ARTICLE 123-BIS, PARAGRAPH 2, LETTER C), CFA)**

Regarding the Shareholders' Meeting, we note that, as per Article 10 of the Company's By-Laws, the meeting is convened by notice published on the Company's website ([www.wiit.cloud](http://www.wiit.cloud)), in the *Investors/Shareholders' Meeting* section, by other methods as per current legal and regulatory provisions, and, if required by such provisions, or by the Directors, by notice published in at least one national newspaper. The Shareholders' Meeting may be convened in Italy, also outside the registered office, in a single session. However, should the Board of Directors see fit, the Ordinary Shareholders' Meeting may be held over two sessions, and the Extraordinary Shareholders' Meeting over two or three sessions, with the necessary legal majorities.

The rights of attendance and representation at the Shareholders' Meeting are governed by current legal and regulatory provisions. We note that electronic notification of proxy participation in the Shareholders' Meeting may be made via the dedicated section of the Company's website or by message to the e-mail address indicated in the Shareholders' Meeting call notice, and that the Company may designate for each Shareholders' Meeting one or more individuals to whom those entitled to vote can grant a proxy, as per current legal and regulatory provisions, providing information in the notice of meeting, and publishing the proxy form to be used on the Company's website.

The Shareholders' Meeting is chaired by the Chairperson of the Board of Directors, or, in their absence or impediment, by the Vice-Chairperson, or, failing this, by a person designated by the Shareholders' Meeting itself. The Chairperson of the Shareholders' Meeting is responsible, as per law, the Company's By-Laws, and the Shareholders' Meeting Regulation (as described below), for the supervision and regulation of the proceedings of the Shareholders' Meeting, including the determination of the voting order and system, the counting of votes, verification that the meeting has been properly convened, and verification of identities, rights to participate, the regularity of proxies, and voting results. The Chairperson is assisted by a secretary appointed by the Shareholders' Meeting on the proposal of the Chairperson. In addition to cases required by law, when deemed opportune by the Chairperson, the minutes are drawn up by a notary public of the Chairperson's choosing.

Regarding the appointment of Directors, without prejudice to that indicated above in Section 4, the relative majority of the share capital represented at the Shareholders' Meeting is sufficient, excluding abstainers from the calculation, while, regarding the appointment of the Board of Statutory Auditors, reference should be made to that indicated in Section 12.

To facilitate participation and the exercise of the right to vote in the Shareholders' Meeting, the Company's By-Laws provide the possibility for shareholders to be represented by proxy. The By-Laws also allow the Company to designate for each Shareholders' Meeting one or more individuals to whom those entitled to vote can grant a proxy, as per current legal and regulatory provisions, giving notice of such in accordance with such provisions.

\* \* \*

We note that, in line with the recommendations of Criteria 9.C.3 of the Self-Governance Code, on November 30, 2018, the Company's Ordinary Shareholders' Meeting approved the regulation governing the conduct of WIIT's Ordinary and Extraordinary Shareholders' Meetings (the "**Shareholders' Meeting Regulation**"). The Shareholders' Meeting Regulation is made available on the Company's website ([www.wiit.cloud](http://www.wiit.cloud)), in the *Investors/Shareholders' Meeting* section.

\* \* \*

Only one Shareholders' Meeting was held during the Year, on April 29, 2020. We note that, due to the COVID-19 emergency, and, therefore, in compliance with provisions established to protect both public health and that of the shareholders, employees, representatives and consultants of the Company, and as per Legislative Decree No. 18 of March 17, 2020, the Shareholders' Meeting was attended, by the admitted individuals only, via telecommunications means, and that shareholders intervened exclusively via the designated representative, as per Article 135-*undecies* of the CFA. The aforementioned Shareholders' Meeting was attended by the following Directors:

- Riccardo Mazzanti (in person)
- Alessandro Cozzi (via audio-video conference);
- Enrico Rampin (via audio-video conference);
- Amelia Bianchi (via audio-video conference);
- Aldo Napoli (via audio-video conference);
- Dario Albarello (via audio-video conference);

- Riccardo Sciotto (via audio-video conference).

In accordance with applicable law and regulations, the Board of Directors reported on the activities carried out and endeavored to ensure that shareholders had all necessary information so that they could take, with sufficient knowledge, the decisions within the authority of a Shareholders' Meeting.

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We note that the Board did not find significant changes in the capitalization or shareholding structure such as to require the proposal of amendments to the By-Laws.

#### **16 FURTHER CORPORATE GOVERNANCE PRACTICES PURSUANT TO ARTICLE 123-BIS, PARAGRAPH 2, LETTER A), CFA**

On March 19, 2020, the Board of Directors approved the "M&A Policy - Business Combination" regarding the process for managing merger and acquisition operations.

#### **17 CHANGES SUBSEQUENT TO THE YEAR-END**

No changes have been made to the Company's Corporate Governance structure since year-end other than those described in this Report.

#### **18 CONSIDERATIONS ON THE LETTER OF DECEMBER 22, 2020 OF THE CHAIRPERSON OF THE CORPORATE GOVERNANCE COMMITTEE**

During the meeting of March 19, 2021, the letter from the Chairperson of the Corporate Governance Committee of December 22, 2020 was brought to the attention of the Board of Directors, becoming a subject of discussion for the Board.

## STRUCTURE OF THE BOARD OF DIRECTORS

Board of Directors												Control, Risks and RPT Committee		Appointments and Remuneration Committee	
Office	Member	Year of birth	In office from	In office until	Slate (*)	Exec.	Non-exec.	Ind. Code	Ind CFA	No. other offices	(**)	(**)	(***)	(**)	(***)
Chairperson	Riccardo Mazzanti	1970	30/11/18	Approval 2020 Accounts	M	X					7/7				
CEO	Alessandro Cozzi	1972	30/11/18	Approval 2020 Accounts	M	X					7/7				
Chief Sales & Marketing Officer	Enrico Rampin	1968	30/11/18	Approval 2020 Accounts	M	X					6/7				
Chief Merger & Acquisition Officer	Francesco Baroncelli	1971	30/11/18	Approval 2020 Accounts	M	X					7/7				
Director	Amelia Bianchi	1968	30/11/18	Approval 2020 Accounts	M		X				6/7				
Director	Annamaria Di Ruscio	1967	30/11/18	Approval 2020 Accounts	M		X	X	X	1	6/7			1/1	M
Director	Dario Albarello	1977	30/11/18	Approval 2020 Accounts	M		X				7/7	3/3	M	1/1	M
Director	Aldo Napoli	1956	30/11/18	Approval 2020 Accounts	M		X	X	X		6/7	3/3	M		
Director	Riccardo Sciotto	1971	30/11/18	Approval 2020 Accounts	M		X	X	X		7/7	3/3	P	1/1	P

(\*) We note that the members of the Board of Directors in office at the Report Date were appointed prior to commencement of trading of WIIT shares on the MTA, so the slate voting provisions of the CFA and the Issuers' Regulation will only apply from the first renewal of the Board of Directors. We also note, however, that the current Board of Directors was appointed on the basis of By-Laws, which also provide for a slate voting mechanism.

(\*\*) Attendance

(\*\*\*) Qualification (M=member; C=Chairperson).

## STRUCTURE OF THE BOARD OF STATUTORY AUDITORS

Board of Statutory Auditors								
Office	Member	Year of birth	In office from	In office until	Slate (*)	Ind. Code	Attendance at Board meetings	No. other offices(**)
Chairperson	Luca Valdameri	1968	30/11/18	Approval 2020 Accounts		X	7/7	27
Statutory Auditor	Paolo Ripamonti	1968	30/11/18	Approval 2020 Accounts		X	7/7	10
Statutory Auditor	Nathalie Brazzelli	1975	30/11/18	Approval 2020 Accounts		X	6/7	6
Alternate Auditor	Guido Giovando	1971	30/11/18	Approval 2020 Accounts		X	0/7	15
Alternate Auditor	Fabrizio Pecunia	1973	30/11/18	Approval 2020 Accounts		X	0/7	1

(\*) We note that the members of the Board of Statutory Auditors in office at the Report Date were appointed prior to commencement of trading of WIIT shares on the MTA, so the slate voting provisions of the CFA and the Issuers' Regulation will only apply from the first renewal of the Board of Statutory Auditors.

(\*\*) This column indicates the number of offices of Director or Statutory Auditor in accordance with Article 148-bis of the CFA and the relative enacting provisions in the Issuers' Regulation.

\* \* \*

For the Board of Directors  
The Chairperson, Riccardo Mazzanti