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Courtesy copy follows:

**Report of the Board of Statutory Auditors to the Shareholders' Meeting
of Recordati S.p.A. pursuant to article 153 of Italian Legislative Decree no. 58/1998 and to article
2429, paragraph 2, of the Italian Civil Code.**

Dear Shareholders,

By this report, drafted pursuant to article 153 of Italian Legislative Decree no. 58/1998 (hereinafter also referred to as 'TUF' Consolidated Finance Law), also taking into account the applicable Consob Recommendations and the rules of conduct of the board of statutory auditors of listed companies issued by the National Board of Chartered Accountants and Accounting Consultants, the Board of Statutory Auditors of Recordati S.p.A. (hereinafter also referred to as the '**Company**') reports to you on the supervisory activity carried out and the relevant outcomes.

1. Supervision carried out and information received

The Board of Statutory Auditors of the Company (hereinafter also referred to as the '**Board**'), at the date of this report, is composed of Mr Antonio Santi (Chair), Mr Ezio Simonelli (statutory member) and Ms Livia Amidani Aliberti (statutory member) (the alternate auditors are Mr Andrea Balelli and Ms Patrizia Paleologo Oriundi). The Board of Statutory Auditors, in its current composition, was appointed by the Shareholders' Meeting of 29th April 2020 and will expire with the Shareholders' Meeting called to approve the financial statements for the year ended on 31st December 2022.

During the year ended on 31st December 2022, the Board of Statutory Auditors carried out the supervisory activities required by law. To this end, during the financial year, the Board has:

- held 10 statutory auditors' board meetings, which were always attended by all members in office;
- attended 9 Board of Directors' meetings;
- attended 7 Risk, Control and CSR Committee's meetings;
- attended 9 Remuneration and Nominations Committee;
- attended the meetings of the Independent Directors;
- attended the Shareholders' Meeting;
- held meetings with the managers of the auditing firm, EY S.p.A. hereinafter also referred to as the '**Auditing Firm**') pursuant to article 150, paragraph 3, of Italian Legislative Decree no. 58/1998, during which the appropriate information was exchanged and no other events or situations that were worth highlighting were detected;
- met regularly with the Chief of the Internal Audit Function;
- met regularly with the ODV (231 Compliance Body) appointed pursuant to Italian Legislative Decree no. 231/2001;
- obtained the documents and information deemed relevant by the executive Directors and other company functions;
- exchanged information with the boards of statutory auditors of the subsidiaries regarding the management and control systems and the general performance of the companies' operations.

Please note that the undersigned Board of Statutory Auditors usually attends as a guest, as a board or in person of its Chair, to the meetings of the Risk, Control and CSR Committee and of the Remuneration and Nominations Committee, during which matters relating to related-party transactions were also discussed.

During the Board of Directors' meetings, the Board of Statutory Auditors was informed by the Directors on the activities carried out and on the most significant economic, financial and capital transactions carried out by the Company and its subsidiaries.

It should be noted that on 29 October 2020, Recordati's Board of Directors resolved to adopt the new 2020 CG Code (hereinafter also referred to as the "**CG Code**"), the recommendations of which are applicable from 1 January 2021., with the additions and adjustments resulting from the characteristics of the Group indicated in the "*Corporate Governance And Proprietary Assets Report*" relating to the 2022 financial year (hereinafter also referred to as the "**Corporate Governance Report**").

During the meetings and contacts between the Board of Statutory Auditors and the Auditing Firm, no adverse events were detected.

With particular reference to the functions assumed pursuant to article 19 of Italian Legislative Decree no. 39/2010, amended by Italian Legislative Decree no. 135/2016 implementing Directive 2014/56/EU, the Board of Statutory Auditors - also in the context of the meetings held with the Auditing Firm and its attendance at the meetings of the Risk, Control and CSR Committee - examined the work plan adopted, received information on the accounting principles used, the accounting treatment of the most significant transactions carried out in the financial year in question as well as on the outcome of the audit engagements and on the key audit matters. The Auditing Firm did not report significant shortcomings in the internal control system in relation to the financial reporting process.

In this regard, the Board of Statutory Auditors also received detailed information on the impairment test performed by the Company to confirm the value of goodwill and of certain financial assets of significant amount recorded in the financial statements. The relevant details are provided by the Directors in the financial statements in accordance with the guidelines of the international accounting standards and of Consob.

With regard to the supervision of the financial reporting process and the independence of the Auditing Firm, please refer to the following sections of this report.

It should be noted that in the context of the Board of Statutory Auditors' activities:

- no charges have been received pursuant to article 2408 of the Italian Civil Code;
- no complaints have been received.

In 2022, the Company is subject to the management and coordination activities of Rossini Luxembourg S.à.r.l, pursuant to article 2497 et seq. of the Italian Civil Code.

In this regard, it seems appropriate to bear in mind that, in 2019, specific regulations on the management and coordination activity exercised by Rossini Luxembourg S.à.r.l. on Recordati S.p.A. and on the information flows of Recordati S.p.A. towards, in particular, Rossini Luxembourg S.à.r.l, had been approved by the Board of Directors of Recordati S.p.A., following a process which had involved the independent Directors and the Board of Statutory Auditors from the earliest drafting stages.

As illustrated by the Directors in the Corporate Governance Report, the exercise of management and coordination by Rossini Luxembourg S.à.r.l. can be achieved, among other things, through multiple tools, such as: the formulation of general guidelines, in compliance with the legislation governing listed companies; the establishment of directives and the formulation of instructions for the

transmission of management and accounting information; the formulation by Rossini Luxembourg of non-binding opinions on certain significant transactions and decisions.

The Company exercises management and coordination activities, pursuant to article 2497 and following of the Italian Civil Code, over the directly or indirectly controlled Italian companies belonging to the Recordati Group. As illustrated by the Directors in the Corporate Governance Report, the wholly-owned Italian subsidiaries have acknowledged the management and coordination activities performed by the Company and have complied with the disclosure requirements provided for by Law.

With reference to events occurring after the end of the financial year, it should be noted that there were no company events occurred after the end of the financial year that would require changes to the values of assets, liabilities and the profit and loss account.

It should be noted that, with reference to the impact of the earthquake that severely hit Turkey in February 2023, although at the moment the Company sees no signs of weakness even considering the natural resilience of the pharmaceutical sector, the consolidated financial statements as at 31 December 2022 represented that it is difficult to predict whether there may be potential negative impacts on the performance of the business.

Furthermore, it should be noted that in February 2023, the Company concluded an agreement with ARS Pharmaceuticals for the return of the licence on ARS-1.

Except for the above, no significant events occurred subsequent to the reporting date.

2. Supervising relations with subsidiaries and parent companies and related-party transactions

The Board of Statutory Auditors supervised the ordinary or recurring related-party transactions and/or intra-group transactions in relation to which it reports as follows:

- commercial and financial intra-group transactions referring to subsidiaries and the parent company are regulated on an equivalent basis to those prevailing in transactions between independent parties;
- the most significant related-party transaction items are:
 - a) receivables for loans granted to Group companies;
 - b) payables for loans received from Group companies;
 - c) trade receivables from subsidiaries;
 - d) trade payables to subsidiaries;
 - e) receivables of a diverse nature from subsidiaries;
 - f) payables of a diverse nature from subsidiaries;
 - g) receivables from subsidiaries for the management of the centralised treasury;
 - h) payables to subsidiaries for the management of the centralised treasury;
- it should be noted that related-party transactions do not include any non-standard or unusual transactions and that during 2022 there were no transactions or contracts with related-parties that, with reference to materiality of effects on the financial statements, could be considered significant in terms of value or conditions;
- in compliance with the requirements of article 4, paragraph 7, of the Regulations for related-party transactions adopted by CONSOB, resolution no. 17221 of 12th March 2010 as subsequently amended, as well as by article 2391-bis, paragraph 1, of the Italian Civil Code, the Company adopted the '*Procedure for regulating related-party transactions*' available on the Company's website.

3. Financial statements, consolidated financial statements and Report on Operations

With specific regard to the examination of the financial statements for the year ended on 31st December 2022, the consolidated financial statements for the year ended on 31st December 2022 (prepared in accordance with the IAS/IFRS international accounting standards issued by the

International Accounting Standards Board (IASB) and approved by the European Union, as well as in accordance with the provisions issued by Consob in implementation of paragraph 3 of article 9 of Italian Legislative Decree no. 38/2005 and in the European Single Electronic Format ('ESEF') as required by the applicable regulations) and the Report on Operations, the Board of Statutory Auditors reports the following:

- the financial statements file was delivered to the Board of Statutory Auditors in due time to be deposited at the Company's registered office together with this report;
- the Board of Statutory Auditors has verified that the Company's financial statements and the consolidated financial statements have been prepared in accordance with the structure and layouts required by applicable regulations and are accompanied by the documents required by the Italian Civil Code and the TUF;
- the Board of Statutory Auditors verified the rationality for the valuation procedures applied and their compliance with the international accounting standards.

The Board of Statutory Auditors points out that the Transparency Directive (2004/109/EC) requires the annual financial report prepared by listed companies to be published in a single electronic reporting format. EU Regulation 2019/815 ('ESEF Regulation') imposes that the aforementioned annual financial report is to be prepared in the XHTML format, marking certain information in the consolidated financial statements with the Inline XBRL specifics. At the national level, the Italian Law converting the 'Decreto Milleproroghe' (Italian Decree-Law no. 183 of 31st December 2020), in the text finally approved by the Italian Chamber of Deputies and by the Italian Senate of the Republic, in order to benefit from the aforementioned extension, provided, in Article 3, paragraph 11-*sexies*, that the provisions of the ESEF Regulation would apply to financial reports relating to financial years starting as from 1st January 2021. Therefore, with respect to financial reports starting from with financial year ending 31st December 2021, the obligation to prepare and publish them in accordance with the provisions of the ESEF Regulation shall apply.

It should also be noted that the auditing firm is required to carry out audit procedures also in this respect and, to this end, the Italian Ministry of Economy and Finance has approved the auditing standard SA Italy 700B *'The responsibilities of the entity entrusted with the statutory audit with reference to the financial statements prepared in accordance with the single electronic reporting format'*.

The Board of Statutory Auditors bears in mind that the Company has reported that, since last year, it has already proceeded to prepare the activities and processes aimed at producing the annual financial report according to the single electronic reporting format (ESEF), and precisely with integrated XHTML computer language by appropriate markings in XBRL, in order to facilitate the accessibility, analysis and comparability of the consolidated financial statements drawn up according to the International Financial Reporting Standards (IFRS).

The Board of Statutory Auditors points out that the Auditing Firm has stated that it has audited, with the support of a team of specialists, Recordati's annual financial report on the issue in question, the outcome of which is finalised with the opinion on compliance included in the audit report.

4. Transactions and events of major economic, financial and asset importance

In relation to the most significant transactions under an economic, financial and asset point of view carried out by the Company and the Group during the 2022 financial year, and, more generally, with regard to the most significant events, the Board reports the following:

- several initiatives were undertaken in line with the Group's strategy of continuous development and growth;
- initiatives were undertaken in the field of sustainability. In particular, the Group has decided to continue the structured and organic process to sustainability through which the stakeholders' expectations in relation to social, environmental and economic objectives are also taken into account. This process – which in previous years had already led to the preparation of non-financial information, through which to highlight the objectives that the Group has set itself and the results achieved in the environmental, social and economic fields – led, in 2020, to the establishment of the Environmental, Social & Governance function,

dedicated to supporting the integration of social and environmental aspects in the business processes, and the formalisation of the Group's first Sustainability Plan and, during 2022, with a view to continuous improvement, the updating of the goals included in the aforementioned Plan, also following up on the commitments made in that Plan, by achieving important social and environmental goals;

- in March 2022, the acquisition of EUSA Pharma (UK) Ltd – a global biopharmaceutical company focused on rare oncological diseases – was completed' it reinforces the Group's footprint in the rare disease segment, expands the product portfolio, enriches Recordati with new skills;

During 2022, the Board of Directors periodically monitored the operating performance, also by comparing the results achieved with those planned as per 2022 Budget.

In 2022, Recordati updated its Risk Catalogue during approval of the 2023 Budget, at the meeting of the Board of Directors held on 20 December 2022.

Furthermore, on 21 February 2023, the Board of Directors approved the new 2023-2025 Three-Year Plan.

It should be noted that in 2022, the Board of Directors, on the proposal of the Remuneration and Nominations Committee, approved the allocation of new stock options based on the 2021-2023 Stock Option Plan.

In particular, it should be noted that on 29th April 2022 the ordinary Shareholders' Meeting passed a resolution renewing the authorisation to purchase and dispose of treasury shares pursuant to articles 2357 and following of the Italian Civil Code until the approval of the financial statements for the year ended on 31st December 2022. On the basis of the said shareholders' resolution, on 20th June 2022, a share buy-back program was launched to service the Recordati's Group management's stock option plans already adopted by the Company and those which may be adopted in the future, which was completed on 10th March 2023.

It should also be noted that the Board of Directors approved changes to the MBO system for 2023 and began, in 2022, analyses and assessments regarding a new long-term incentive system.

In this regard, it should be noted that in the meeting of the Board of Directors held on 16 March 2023, this Board approved, among other things, the adoption of a new long-term incentive plan, in line with prevailing market practice, known as the *"2023-2025 Performance Shares Plan"*, subject to revocation of the *"2021-2023 Stock Option Plan"* for the assignment of stock options scheduled for 2023.

Furthermore, as the current authorisation will expire with the Shareholders' Meeting called to approve the financial statements for the year ended on 31st December 2022, the Board of Directors, resolved to propose to the same meeting that the authorisation to purchase and dispose of treasury shares be renewed in order to maintain the necessary operational flexibility over an adequate time period.

In 2022, the Board of Directors approved the project to revise and update the Group Corporate Governance Guidelines and the Group Powers Model, also in the light of international best practices, regarding the corporate governance system of the group structure and assessment the adequacy of the organisational, administrative and accounting structure of the Company and its strategically relevant subsidiaries, with particular reference to the internal control and risk management system.

The Board of Directors expects to continue in the coming years the process of acquiring products and expanding into new markets, while respecting prudent parameters of financial sustainability.

More specifically, the above transactions and events are adequately described in the Report on Operations and in the Explanatory Notes to the financial statements, to which reference should be made for further information.

The Board of Statutory Auditors has not detected nor received information from the Auditing Firm or the Chief of the Group Internal Audit Function (also the manager responsible for the internal controls, pursuant to article 150 TUF) of non-standard and/or unusual transactions carried out with third parties, related parties or intra-group transactions.

In the Report on Operations and in the Explanatory Notes to the consolidated financial statements and the separate financial statements, the Directors have reported on the ordinary transactions carried out with related parties, indicating their nature and size. These indications are adequate also considering their size as well as the size of the Group and the Company. The transactions in question are represented almost exclusively by commercial or financial intra-group transactions carried out at market conditions.

For its part, the Board of Statutory Auditors has ascertained that the provisions of law and the By-laws have been complied with and that the transactions carried out by the Directors are not manifestly imprudent or risky, in potential conflicts of interest, contrary to the resolutions passed by the Shareholders' Meeting or in any case are such as to compromise the integrity of the Company's assets, and that they are based on, to the best of the Board of statutory auditors' knowledge, criteria of economic rationality, without this constituting an opinion on the merits of the Directors' management choices.

In general, the Board of Statutory Auditors therefore considers that the provisions of the law, the By-laws and the principles of proper administration have been complied with.

5. Performance of the year and economic and financial situation

The 2022 financial year closed with a consolidated net income of €/000 312,336 compared to €/000 385,966 at 31 December 2021 and with an adjusted consolidated net income of €/000 473,306 compared with €/000 424,647 as at 31 December 2021.

The consolidated financial situation (Net financial position) as at 31.12.2022 is equal to €/000 (1,419,909) compared to €/000 (736,539) as at 31.12.2021. The reasons for the change are fully explained in the Report on Operations.

Consolidated shareholders' equity as of 31.12.2022 is equal to €/000 1,546,248 compared to €/000 1,381,625 as at 31.12.2021, with an increase of €/000 164,623 (against an increase of €/000 105,365 in 2021).

It should be noted that in 2011, the Company approved a change in the capital remuneration policy. As a consequence, an interim dividend of € 0.55 per share has been set for the 2022 financial year. The board of Directors proposes to the shareholders' meeting to distribute a further dividend of € 0.60 per share, as balance of the 2022 financial year, which would thus result in a total dividend of € 1.15 per share, compared to € 1.10 per share distributed from the 2021 financial year result.

On the basis of the above elements, considering the more general situation of the Company and the Group and, in particular, the forecasts of the Directors for the 2023 financial year, the Board of Statutory Auditors does not consider, at present, that there are events or circumstances that may give rise to significant doubts concerning the going concern assumptions.

6. Organisational structure, administrative and accounting system and internal control system

The Board of Statutory Auditors monitored the existence of a suitable organisational structure in relation to the company's size and structure and the objectives which it pursues, capable of ensuring

compliance with the regulations, including sector-specific regulations, which are applicable to the Company.

The Board of Statutory Auditors, with the assistance of the function aimed at monitoring the internal control system, verified the existence of an organisational chart, systems, job descriptions and procedures that are in line with achieving the aforementioned objectives, as well as the existence of a system of delegated and proxy powers which correspond to the responsibilities conferred.

During the financial year, the actions already undertaken in the previous financial year continued, aimed at reviewing certain functions and the relevant responsibilities of reporting directly to the Chief Executive Officer, as well as the constant improvement and strengthening of the dedicated human resources with specific organisational skills.

The organisational model adopted by the Company also appears to be adequate to the provisions of Italian Legislative Decree 231/2001 and is subject to periodic updating, such as those relating to its special section and protocols, which occurred in 2021.

This model, which concerns the overall activity of the Company from a procedural, organisational and control point of view, appears particularly incisive and its compliance is supervised by a specifically appointed and regularly functioning body (whose mandate will expire with the approval of the financial statements as at 31 December 2022), composed of an internal member (the Group's Head of Audit & Compliance) and two external and independent experts. The model is constantly monitored and updated, in line with new regulations and organisational developments.

It should be noted that all the Italian companies in the Recordati Group (Recordati S.p.A., Innova Pharma S.p.A., Recordati Rare Diseases Italy S.r.l., Italchimici S.p.A., Natural Point S.r.l. and Eusa Pharma (Italy) S.r.l.) have adopted their own Organisational, Management and Control Model, as required by Italian Legislative Decree no. 231/2001 on the administrative liability of entities.

In 2022, the Company continued to distribute the Code of Ethics (latest version July 2020) adopted as part of the Organisational Model pursuant to Italian Legislative Decree 231/2001. In fact, given the conclusion of the training programme for all Group employees in the two-year period 2020-2021, the Company has launched a new training programme for all employees on specific ethical topics included in the Code of Ethics; in addition, training on the Group's Code of Ethics is provided to all new hires.

The Company monitors the internal situation of strategically significant subsidiaries with reference to organisational controls and provisions that are in line with those adopted by the Company in relation to Italian Legislative Decree no. 231/2001. In this regard, taking into account the growing importance of foreign subsidiaries, activities have been systematically implemented to monitor applicable regulations on corruption in the various countries in which these companies operate and for the purposes of strengthening internal controls in order to prevent such events.

Since 2009, the Company has drawn up a Group Anti-Bribery Manual which sets out the principles of conduct to avoid bribery in company areas that are potentially exposed to the risk of corruption. In 2019, the Group's Anti-Bribery Manual was revised, updating it with new areas of attention, with new explanatory examples and new behavioural guidelines and, in 2022, training for Recordati group employees continued and for *new* hires.

The Company is committed to health, safety and the environment, matters that are adequately highlighted in the Report on Operations and the Non-Financial Statement. The Board of Statutory Auditors has acknowledged the continuous attention paid to this issue, which is regularly brought to the attention of the relevant corporate bodies.

The Group Audit & Compliance function is actively involved in identifying the critical issues in the internal control system. The head of this function, who has no links with operational functions, reports to the Board of Directors and is operationally coordinated by the Chair, and regularly reports to the Risk, Control and CSR Committee, presenting the annual work plan and reporting periodically on the activities carried out. The Board of Statutory Auditors, also in its capacity as the Internal Control and Audit Committee (the 'ICAC') established pursuant to article 19 of Italian Legislative Decree no. 39/2010, maintains an ongoing dialogue with the head of the function, verifying the effectiveness of such work.

In particular, the Group's Audit & Compliance department independently carries out the verification activities envisaged in the annual audit plan. The results of the audits are communicated to the Chair, the Chief Executive Officer – from 29 April 2022, also the Executive Director responsible for supervising the functioning of the internal control and risk management system – the company management and, periodically, the Board of Statutory Auditors, all Supervisory Body, the Control, Risk and Sustainability Committee and the Board of Directors.

The Report on Corporate Governance provides analytical reporting on the characteristics of the existing risk management and internal control systems with respect to the financial reporting process, in compliance with article 123-bis of the TUF.

During the financial year, the Company continued the application of its risk control system.

In implementation of what was previously approved by the Board of Directors, the Company carried out the periodic monitoring which involved all company functions, with the aim of both improving financial reporting and of monitoring in a continuous and structured way the main risk areas and factors also pursuant article 19, paragraph 1 c) of Italian Legislative Decree no. 39/2010, as amended by Italian Legislative Decree no. 135/2016, which implements Directive 2014/56/EU (Risk Map of Recordati).

With specific reference to the Catalogue of company risks, it should be noted that, as a rule, the updating of the risk mapping is examined annually by the Board of Directors during the meeting that approves the budget for the following financial year; furthermore, the Company updates its risk catalogue in conjunction with the approval of extraordinary transactions such as acquisitions of new assets and shareholdings that deemed relevant.

In particular, in 2022 and up to the date of this report, the Company updated its Risk Catalogue on several occasions: during the approval of the 2023 Budget, in the meeting of the Board of Directors on 20 December 2022 and, preliminarily, during the approval of the 2023-2025 Three-Year Plan, resolved on 21 February 2023.

Furthermore, in the meeting of 16 March 2023, the Board, with the favourable opinion of the Control, Risk and Sustainability Committee, essentially confirmed the guidelines of the internal control and risk management system of the Company and the Recordati Group, already approved at the beginning of 2022, based on what was resolved by the Board itself in compliance with the Corporate Governance Code – as adopted by the Company at the end of 2020 – so that the main risks affecting the Company and its subsidiaries are correctly identified, as well as adequately measured, managed and monitored.

It should be noted that the Board of Directors has positively assessed the suitability, efficacy and effective functioning of the internal control and risk management system, on the basis of the information provided at meetings through the reports submitted by the Risk, Control and CSR Committee and the ODV (231 Compliance Body) pursuant to Italian Legislative Decree no. 231/01.

In the Report on Operations, the main risk factors to which the Group is exposed are classified and described as follows:

- risks related to the external context: these are the risks associated with catastrophic events (biological, epidemic and pandemic, etc.), environmental issues, the evolution of the regulatory and legal framework of the pharmaceutical sector (characterised by a high level of local, national and international regulation, which affects activities at all levels), the expansion into emerging countries, geopolitics and competitive pressure;
- strategic and operational risks: these are the risks associated with the internationalisation of the Group, expiring patents, investments in research and development, the launch of new products, risks relating to pharmacovigilance, risks relating to the production process, production interruption, the risks associated with the environment, health and safety and those associated with the management of IT resources and data security;
- financial risks: these are credit, interest rate, currency exchange rate and liquidity risks;
- legal and compliance risks: these are the risks associated with product liability, compliance and those relating to legal proceedings.

All the risks and the measures adopted by the Company to limit them are fully described in the Report on Operations. The Budget, as well as the planning of the activities of the control bodies, in particular the Internal Audit & Compliance function, take due account of the main risk factors and the actions aimed at mitigating their effects.

With reference to the administrative area, the Company complies with the provisions introduced by Italian Law no. 262/2005.

In particular, since 2003, the Company has adopted a Control Model pursuant to Italian Law no. 262/2005 on financial reporting, in order to ensure the effectiveness of the internal control system, entrusting the Manager responsible for preparing the Company's financial reports (hereinafter, the 'Financial Reporting Officer') with the task of verifying its correct application, as well as monitoring the functioning and adequacy of the Internal Control System referred to in such model.

In 2022, a periodic financial control self-assessment was carried out, introduced from 2021 and managed by the Group Compliance department in coordination with the Group Finance Department, aimed at identifying any areas for attention and improvement within the administrative-accounting processes. The results of this financial control self-assessment were shared with the Group Finance Department in order to plan adequate intervention plans, where necessary, without highlighting significant weaknesses in the existing accounting processes, net of always possible improvement and optimisation paths.

In the 2022 financial year, the role of Manager responsible for preparing the company's financial reports was performed by Dr Luigi La Corte, who also holds the role of Chief Financial Officer of the Group.

The Corporate Governance Report extensively reports on the internal control system and in particular to the activities aimed at monitoring the financial reporting process, which are also relevant pursuant to the provisions of article 19 paragraph 1 c) of Italian Legislative Decree no. 39/2010, as amended by Italian Legislative Decree no. 135/2016, which implements Directive 2014/56/EU.

There is a complete, integrated and consistent reporting system at Group level, both in terms of reporting and procedures and guidelines.

A Group Accounting Manual has also been adopted, as well as administrative-accounting protocols and procedures concerning the periodic closing of the accounts, preparation of the financial statements, the preparation of the reporting packages by the subsidiaries and administrative-accounting control matrices in correlation with the risks identified and to the associated control objectives identified, which also summarise the outcome of the control testing activities carried out by the Internal Audit & Compliance department.

With reference to the continuous disclosure obligations pursuant to article 114, paragraph 2, of TUF, the Company has given the subsidiaries adequate instructions to fulfill the disclosure obligations provided for by article 114, paragraph 1, of TUF as part of the internal Regulations on Inside Information.

The Company maintains strict information control over its subsidiaries in order to be able to comply with the periodic disclosure obligations. In particular, it is envisaged that the sending of accounting or financial data for the relevant period by the subsidiaries be accompanied by a specific certification from the relevant Managing Director and Financial Controller.

The Financial Reporting Officer assesses the administrative and accounting internal control system by using the testing activity carried out by the Group Audit function.

In addition, on 29th March 2023, after having explained its content and provided a draft to the Board of Statutory Auditors during the meetings held prior to that date, the Auditing Firm submitted to the said Board the Additional Report required by article 11 of EU Regulation no. 537/2014, which shows the results of the mandatory audit carried out and includes the declaration of independence pursuant to article 6, paragraph 2 (a), of the Regulation, as well as the reporting required by article 11 of such Regulation, without having identified any significant shortcomings. In particular, the Additional Report does not reveal any significant shortcomings in the internal control system in relation to the financial reporting process that should be brought to the attention of those responsible for governance activities.

The Board of Statutory Auditors informed the Company's Board of Directors of the results of the external audit, also transmitting to it the additional Report, pursuant to article 19 of Italian Legislative Decree no. 39/2010, without providing any observations.

Pursuant to Italian Law no. 262/2005 – as previously reported – the Company carried out, with a favourable outcome, tests to verify the general accounting and administrative closing procedures aimed at confirming the accuracy of the accounting data included in the financial statements and in the information documents and charts, which was also fully extended to the foreign subsidiaries.

All Group companies are subject to accounting audit for the purposes of the consolidated financial statements (with a different scope depending on the specifics of the individual company) by auditing firms, almost all of which belong to the EY S.p.A. network, a firm appointed for the nine- year period (2020-2028) by the parent company's shareholders' meeting that approved the financial statements for the 2019 financial year.

In terms of compliance with laws and regulations, the Board of Statutory Auditors has verified that the provisions contained in articles 15 et seq. of the Regulations adopted by Consob on markets are applicable to subsidiaries incorporated in Turkey, the United States of America, Russia and Switzerland which, due to their size are of significant importance, as they are incorporated and regulated by the law of a non-EU country, and it has verified compliance with economic and asset limits. To this end, the Board of Statutory Auditors has obtained information from the Company and the auditing firm that confirms that these subsidiaries have an administrative and accounting system capable of regularly providing the Company's management and the auditor of the parent company with the economic and financial data necessary for the preparation of the consolidated financial statements.

It should be noted that from March 2022, the above provisions will also apply to the English subsidiary Eusa Pharma (UK) limited, acquired by the Company – together with its subsidiaries – in March 2022.

It should be noted that the rules on periodic financial reporting were amended by Italian Legislative Decree no. 25/2016, implementing Directive 2013/50/EU, which eliminated the obligation to publish the interim management statement, previously provided for by paragraph 5 of article 154- *ter* of

Italian Legislative Decree no. 58/1998. On 26th October 2016, by means of resolution no. 19770, Consob made some regulatory changes, introducing the new article 82-ter, which were applied as from 2nd January 2017.

In this regard, the Board of Directors resolved in 2017 to continue to publish, on a voluntary basis and until resolved otherwise, periodic quarterly reports similar in form and content to those published in previous financial years. In particular, the quarterly reporting will be subject to approval by the Board of Directors in meetings to be held within 45 days from the end of the first and third quarter of each year, and it will be published by means of a press release to be issued at the end of the board of directors' meeting that approved the aforementioned results, and through publication of the quarterly financial report, which will also be issued promptly after the board of directors' meeting that approved the aforementioned results.

As previously stated, the Company is subject to the management and coordination activities of Rossini Luxembourg S.à.r.l, pursuant to article 2497 and following of the Italian Civil Code.

The Report on Corporate Governance states that the wholly-owned Italian subsidiaries have acknowledged the Company's management and coordination activities and have complied with the disclosure requirements provided for by law.

Furthermore, the subsidiaries established and regulated by the law of non-European Union countries, with the exception of those established in Turkey, the USA, Russia, Switzerland and England (since March 2022, following the acquisition of the English subsidiary Eusa Pharma (UK) limited), are not significantly relevant under the applicable secondary legislation. However, in view of the large number of shareholdings held, the Company is committed to monitoring any changes and the Board of Statutory Auditors oversees this.

Auditing firm

E.Y S.p.A., as previously represented, is the independent auditors responsible for the Company's accounting audits for 2022. The appointment was formally conferred by the Shareholders' Meeting on 29 April 2020, for the financial years 2020-2028, on the proposal of the Board of Statutory Auditors (CCIRC) formulated at the time.

From the information obtained, it appears that during the financial year, the Company and the other Group companies entrusted the auditing firm EY S.p.A. and other entities of its network with certain tasks other than the statutory audit of the Company, as detailed below.

Type of service	Entity providing the service	Recipient	Fees values in €
Accounting Auditing	Auditor of the Parent Company	Parent Company	243,308
Accounting Auditing	Auditor of the Parent Company	Subsidiaries	84,517
Accounting Auditing	Network of the auditor of the Parent Company	Subsidiaries	890,536
Tax compliance services	Network of the auditor of the Parent Company	Subsidiaries	81,575
Signing declarations and certificates	Auditor of the Parent Company	Parent Company	39,970
Signing declarations and certificates	Auditor of the Parent Company	Subsidiaries	3,701
Signing declarations and certificates	Network of the auditor of the Parent Company	Subsidiaries	56,583
Other services	Network of the auditor of the Parent Company	Subsidiaries	11,367

These appointments are disclosed for legal purposes and it should be noted that they have been reported by the Company in an annex to the consolidated financial statements (Annex 1) pursuant to article 149-duodecies of the Issuers' Regulation.

As a result of the enactment of Regulation 2014/537/EU, starting from 2017, the Board of Statutory Auditors was requested to express its opinion at the time of conferring non-audit engagements (Non-Audit Services) on the audit firm and other entities belonging to the network.

The Board of Statutory Auditors points out that no critical aspects were detected in relation to the independence of the auditing firm.

7. Current corporate governance

Detailed information on how the corporate governance principles approved by the Corporate Governance Committee (contained in the related Corporate Governance Code) have been implemented is provided by the directors in the Report on Corporate Governance attached to the reporting on the financial statements.

It is noted that the Company adheres to and complies with the CG Code (January 2020 version), with the additions and adjustments resulting from the characteristics of the Group indicated in the Corporate Governance Report, which the Board of Directors approved on 16 March 2023.

In this respect, it should be noted that the Corporate Governance Committee published a new version of the CG Code on 31st January 2020 to be implemented by listed companies as from 2021.

During 2020, the Company examined such code in order to assess its most appropriate application and, by resolution of 29th October 2020, the Board of Directors of Recordati S.p.A. resolved upon – and disclosed to the market – the adoption of the CG Code, as published in January 2020, specifying that Recordati would have implemented the new Code as from the 2021 financial year (with the exception of some recommendations that have already been implemented or are currently underway), and will disclose this to the market in the corporate governance report published in 2022.

It was noted that in 2022, the Board of Directors adopted a specific “*Policy for managing dialogue with all investors*” in line with the recommendations of the current CG Code.

The report prepared to accompany the financial statements for the 2022 financial year complies with the provisions of article 123-bis of the TUF and the relevant information referred to in paragraph 4 of such provision, and the auditing firm has expressed its opinion on the coherence as per article 14, paragraph 1e) of Italian Legislative Decree no. 39/2010.

It seems appropriate to bear in mind that in 2021, there was an important change in the corporate governance of Recordati S.p.A.

In this respect, it should be noted that the composition of the Board of Directors (prior to the occurrence of the aforementioned changes) was the result of a process that took place between the end of the 2019 and the beginning of the 2020 financial years, with the appointment of the Board of Directors by the Shareholders’ Meeting of 5th February 2019 and, following the resignation of some members, was changed by means of a Shareholders’ Meeting resolution on 29th April 2020.

In particular, the Shareholders’ Meeting of 5th February 2019 had appointed a Board of Directors composed of eleven members, which was increased to twelve by the Shareholders’ Meeting of 29th April 2020.

The non-executive Director, Mr Francesco Balestrieri, who had been appointed by the Shareholders’ Meeting of 29th April 2020, resigned effective as from 15th October 2021.

With effect as from 1st December 2021, following the resignation of Mr Alfredo Altavilla – as Chair and non-executive Director – and Mr Andrea Recordati – as Chief Executive Officer – the Board of Directors of Recordati S.p.A. had approved, also on the opinion of the Board of Statutory Auditors

and the Remuneration and Nominations Committee, the appointment of Mr Robert Koremans as the new Chief Executive Officer (following his co-option to the Board of Directors) and Mr Andrea Recordati as the new Chair of the Board of Directors (non-executive).

On the same date, also on the opinion of the Board of Statutory Auditors and the Remuneration and Nominations Committee, the Board had determined the remuneration of the then *newly* Chair and the then newly Chief Executive Officer.

On 16 December 2021, the Board, also on the opinion of the Board of Statutory Auditors and the Remuneration and Nominations Committee, co-opted Dr Kim Stratton as the new non-executive and non-independent director to replace Dr Balestrieri.

Considering the above, until the shareholders' meeting of 29 April 2022 – when the entire Board of Directors ceased to exist due to the expiry of its mandate – the latter was therefore made up of twelve members, seven of whom were appointed since the Shareholders' Meeting of 5 February 2019, three members were appointed by the Shareholders' Meeting of 29 April 2020 and two members were co-opted by the Board of Directors respectively on 1 December 2021 and 16 December 2021.

Subsequently, the Shareholders' Meeting of 29 April 2022 appointed a Board of Directors of twelve members who will remain in office until the Shareholders' Meeting to approve the financial statements at 31 December 2024.

It should be noted that the office of director, respectively, of Dr Silvia Candini and Dr Fritz Squindo ceased operations in 2022 (until the approval of the financial statements as at 31 December 2021).

Taking the above into account, to date, the Board of Directors is therefore made up of twelve members, and the composition of the Board of Directors at the date of this report and the qualifications of each Director on that date are summarised below:

Name	Role	Executive/Non-Executive	Independent	Date of First Appointment	In office since
Andrea Recordati	Chair	Non-Executive	-	Shareholders' Meeting 29.04.1998 and, as Chair, Board of Directors 01.12.2021	29.04.2022
Guido Guidi	Vice-Chair	Non-Executive	-	Shareholders' Meeting 29.04.2020	29.04.2022
Robert Koremans	Chief Executive Officer	Executive	-	Board of Directors 01.12.2021	29.04.2022
Michaela Castelli	Director	Non-Executive	Independent	Shareholders' Meeting 17.04.2014	29.04.2022
Elisa Corghi	Director	Non-Executive	Independent	Shareholders' Meeting 29.04.2022	29.04.2022
Giorgio De Palma	Director	Executive	-	Shareholders' Meeting 29.04.2020	29.04.2022
Luigi La Corte	Director	Executive		Shareholders' Meeting 29.04.2022	29.04.2022
Joanna Le Couilliard	Director	Non-Executive	Independent	Shareholders' Meeting 05.02.2019	29.04.2022

Giampiero Mazza	Director	Executive	-	Board of Directors 06.12.2018	29.04.2022
Piergiorgio Peluso	Director	Non-Executive	Independent	Shareholders' Meeting 29.04.2020	29.04.2022
Cathrin Petty	Director	Executive	-	Board of Directors 06.12.2018	29.04.2022
Kim Stratton	Director	Non-Executive	-	Board of Directors 16.12.2021	29.04.2022

With regard to the role of the Board of Directors, the Board of Directors continued to reserve to its exclusive competence, in addition to the matters reserved to it by law or the By-Laws, the transactions of significant strategic, economic, asset or financial importance, for the identification of which specific criteria have been adopted, and which are reviewed at the time of granting delegated powers.

Furthermore, on 28th October 2021, the Board of Directors approved a regulation governing the role, activities, organisation and procedures for the functioning of the Company's governing body, in order to ensure compliance with the applicable provisions of law and Recordati's By-laws as well as with the principles and recommendations of the CG Code as applicable from time to time and as approved by the Company and, in particular, also in order to ensure effective management of board reporting.

In relation to this, the Board of Statutory Auditors confirms that the principles and criteria laid down in the CG Code have been substantially complied with during the financial year.

In relation to the regulations on gender balance in corporate bodies, the Company has acknowledged the recommendations on diversity, including gender diversity, in the composition of corporate bodies that were first introduced in the 2018 CG Code and then confirmed by the 2020 CG Code, which indicates that at least one-third of the board of directors shall be composed of members of the least represented gender.

In relation to the rules on the independence of directors, in view of the current composition of the Board of Directors, it is noted that one-third of the members are independent directors (four out of twelve directors in office), an approach that complies with the provisions of the TUF and the CG Code itself, which the Company adheres to.

In this regard, it should be noted that in compliance with the CG Code, in 2021, the Board adopted a *"Policy on qualitative and quantitative criteria for the purpose of assessing independence requirements"*, which has been fully applied starting from assessment of the independence of the Directors of the Company who were appointed by the Shareholders' Meeting of Recordati on 29 April 2022 (for the approval of the financial statements as at 31 December 2021).

The procedure adopted by the Board of Directors in order to verify independence provides that the director must declare that he/she meets this requirement at the time of submitting his/her candidacy and upon his/her acceptance of the appointment. The Board of Directors ascertains that this requirement is met at the first meeting following the appointment and discloses the outcome to the market. Subsequently, and without prejudice to the independent director's commitment to promptly inform the Board of Directors of the occurrence of situations that would result in the requirement not being met, the Board of Directors shall annually again request the directors concerned to confirm that he/she continues to meet the requirements, as provided for by the law and the Code. The Board of Directors shall verify the content of such communications; the Board of Statutory Auditors shall verify that the requirements and the assessment procedure adopted by the Board of Directors to assess the independence of the Board members has been correctly applied.

With regard to the Board of Directors in office until 29 April 2022, with specific reference to the independent directors (Dr Silvia Candini, Michaela Castelli, Dr Joanna Le Couilliard and Dr Piergiorgio Peluso), the Board of Directors, taking into account the declarations made by the interested parties, ascertained the existence of the independence requirements pursuant to art. 148, paragraph 3 of the TUF and the independence requirements established by the 2020 Code at the time of the annual assessment, which took place on 24 February 2022.

Subsequently, these requirements were confirmed by the *newly* elected Board of Directors on 29 April 2022 for the following four directors: Dr Elisa Corgi, Michaela Castelli, Dr Joanna Le Couilliard and Dr Piergiorgio Peluso.

It should be noted that on 21st February 2023, the Board of Directors renewed this assessment positively. It seems appropriate to point out that on this occasion, the Board of Directors resolved that, despite the imminent stay in office as independent director for 9 consecutive years of Michaela Castelli, the independence requirement continues to exist for this director.

The Board of Statutory Auditors has positively verified the correct application of the assessment criteria and procedures adopted by the Board of Directors to evaluate the independence of its members.

It should be noted that the Board of Directors has set up the following internal committees:

- a) Risk, Control and CSR Committee;
- b) Remuneration and Nominations Committee;

and has identified a Lead Independent Director.

With reference to point a), it should be noted that the Control, Risk and Sustainability Committee is made up of the following non-executive and independent directors: Michaela Castelli (Chair), Dr Silvia Candini (from 1 January 2022 to 29 April 2022), Dr Elisa Corgi (from 29 April 2022 to 31 December 2022) and Dr Piergiorgio Peluso.

With reference to point b), the Remuneration and Nominations Committee is composed of the following non-executive and independent directors: Dr Joanna Le Couilliard (Chair), Michaela Castelli, Dr Silvia Candini (from 1 January 2022 to 29 April 2022) and Dr Elisa Corgi (from 29 April 2022 to 31 December 2022).

With reference to the Lead Independent Director, from 1 January 2022 to 31 December 2022, this role was covered by Michaela Castelli, also following the renewal of the Board of Directors on 29 April 2022, assigning her the tasks set out by the CG Code.

In 2021, the Board of Directors had carried out an in-depth board review process, with the support of an external consultant (the consultancy company Crisci & Partners). This self-assessment process concerned the functioning of the Board itself and its committees, as well as their size and composition, and involved the following aspects:

- a benchmarking analysis with Recordati's peers and, in general, with the best practices on the issue performed by the above-mentioned consultant;
- also included, for the first time, the "peer-to-peer review", i.e., a focus on the content of the contribution made by each of the Board members, including the Chair;
- two questionnaires (one of which was dedicated to peer review) and an individual interview with each director as well as with the Chair of the Board of Statutory Auditors and the Secretary of the Board were performed;
- included a specific focus on supporting the Board in relation to the renewal, also for the purpose of possibly formulating some guidelines for the benefit of Shareholders, even though the Company is a large company with concentrated ownership.

It should be noted that the Remuneration and Nominations Committee played a proactive and proposal-making role in the process in question, in coordination with the Chair of the Board of Directors.

As also shown by the Report on Corporate Governance, the results of the board review process – analysed by the Remuneration and Nominations Committee and the Board of Directors – confirmed a positive picture in terms of the Board of Directors composition, particularly from the point of view of the mix of experience and skills.

It should be noted that during the process in question, particular attention had also been paid in relation, on the one hand, to the change in governance at the time expected for the end of 2021, and on the other hand, to possible guidelines addressed to the Shareholders during the appointment of the new Board of Directors, which would have taken place with the approval of the financial statements as at 31 December 2021.

In particular, with reference to the first aspect, some recommendations were made concerning the induction activities to be carried out in favour of the new chief executive officer (activities that have been carried out), in order to ensure an optimal handover; with reference to the second aspect, the Remuneration and Nominations Committee indicated to the Board that it could recommend the appointment of a new Board that would be in substantially in line with the current one, with some new elements (the increase in the number of members meeting the independence requirements, the female representation required by law for the renewal of the Board and the strengthening of certain skills/experiences).

It should be noted that the Board of Directors has acknowledged the above recommendations and the results of the self-assessment process and has decided to express some guidelines in line with the above, as illustrated in the Directors' report to the Shareholders, which has been made available for The Shareholders' Meeting held on 29 April 2022 and which approved the appointment of the new Board of Directors.

It should be noted that, on 30th July 2020, with respect to succession plans for executive directors who are granted with individual management powers, after receiving the opinion of the Remuneration and Nominations Committee, the Board of Directors adopted a plan relating to the Chief Executive Officer and the Director in charge of the internal control and risk management system. It offers - in the event of their early cessation from office or inability, even temporary, to perform their functions - guidelines for the succession process aimed at ensuring management continuity in the short to medium term. It is therefore a so-called 'contingency plan' that would allow the Company to immediately deal with any possible emergency.

In light of the important change of corporate governance of the Company which took place in 2021 – which saw Dr Andrea Recordati, previous CEO, to be appointed as the new Chair effective from 1 December 2021 and Dr Robert Koremans to be appointed new CEO on the same date – subject to preliminary investigation and favourable opinion of the Remuneration and Nominations Committee, on 1 December 2021, the Board of Directors had updated the "contingency plan" referred to above, in order to manage the transition period between the appointment of the new CEO and the appointment of the new Board; however, it was specified that it would be necessary to subsequently review the text in the light of the new board composition resolved by the Shareholders' Meeting on 29 April 2022.

Therefore, following the renewal of the Board of Directors on 29 April 2022 and given the appointment of Dr Robert Koremans – confirmed as new Chief Executive Officer – also as Director with the responsibility for the internal control and risk management system (following the departure of Dr Squindo from the Board and in line with the recommendations of the CG Code) effective from 29 April 2022, it was therefore necessary to further update the succession plan for the Chief Executive Officer, now also the Director with the responsibility for the internal control and risk management system, in the light of the new board composition.

On 10 May 2022, following the favourable opinion of the Remuneration and Nominations Committee, the Board of Directors therefore approved the new Succession Plan – understood as the "Contingency

Plan” – of the Chief Executive Officer (also Director with the responsibility for the internal control and risk management system), confirming the choice of the previous update, or providing that in the event that – temporarily or definitively – Dr Koremans, as Chief Executive Officer and Director with the responsibility for the internal control and risk management system, will be replaced, on a temporary basis, by Dr Andrea Recordati.

With regard to the composition of the Board of Statutory Auditors, it should be noted that the Board of Statutory Auditors has successfully verified that its members meet the independence criteria laid down by law and by the Code.

8. Consolidated non-financial statement

Italian Legislative Decree no. 254/2016, in implementation of Directive 2014/95/EU, introduced in the Italian legal system the obligation for certain entities to draw up for each financial year a non-financial statement aimed at '*ensuring the understanding of the business activity, its performance, its results and its impact*', covering environmental and social issues, those pertaining to personnel, respect for human rights and combatting active and passive corruption.

In essence, therefore, starting with the financial statements for the financial years beginning in 2017, listed companies, banks and large insurance companies (with at least 500 employees and meeting certain size requirements) must also draw up, in addition to the traditional financial reporting, a statement on non-financial matters, such as environmental and social aspects, those relating to personnel, respect for human rights, and combatting active and passive corruption.

In compliance with the provisions of Italian Legislative Decree no. 254/2016, the Company has prepared the 2022 consolidated non-financial statement (hereinafter also referred to as '**NFS**').

In fact, Recordati has decided to undertake a structured and organic path towards sustainability, taking into consideration the aspects of economic, social and environmental sustainability in a manner that is consistent with its own organisational characteristics. To the extent necessary to ensure an understanding of the company's activities, its performance, its results and its impact, with respect to the main sustainability issues, Recordati's commitment to sustainability was strengthened through preparing the NFS for the 2022 financial year for the purposes of complying with the obligations laid down in articles 3 and 4 of Italian Legislative Decree no. 254/16. The NFS sets out the main policies practiced by the company, the management models and the main activities carried out by the Group during 2022 in relation to the issues expressly referred to by Italian Legislative Decree no. 254/16 (environmental, social, personnel-related, respect for human rights, combatting corruption), as well as the main risks identified that are associated with those issues.

In order to ensure a structured management of sustainability aspects, the Company has set up a system of responsibilities that is defined both at the level of governance bodies and at the level of the organisational structure. In line with the new CG Code to which Recordati has decided to adhere, the Board of Directors has the duty of pursuing the Company's sustainable success, defined as the objective of creating long-term value to benefit shareholders while taking account of the interests of stakeholders that are relevant to its activities.

In turn, the Board of Directors has set up a Risk, Control and CSR Committee (made up only of non-executive and independent directors), which makes proposals and provides advice to the Board of Directors (supporting the Board of Directors' assessments of sustainability issues with an adequate investigative activity).

Furthermore, the Environmental, Social & Governance department (established in 2020) reports directly to the Chief Financial Officer (member of the Board of Directors), and is responsible for managing and coordinating topics related to sustainability at Group level. Such function promotes and supports the various functions of the Group in adopting and integrating sustainability principles in corporate decision-making and business processes. In collaboration with the relevant functions, this function identifies risks related to sustainability issues, areas and projects for improvement; it proposes the strategy and objectives of the Sustainability Plan and drafts the NFS.

In particular, in 2022, the NFS was prepared by the Environmental, Social & Governance department in compliance with the “GRI Sustainability Reporting Guidelines” reporting standards in their latest version updated in 2021 by the Global Reporting Initiative (GRI).

The NFS was submitted for review and evaluation by the Risk, Control and CSR Committee on 9th March 2023 and was subsequently approved by the Board of Directors of Recordati S.p.A. on 16th March 2023.

The Board of Statutory Auditors and the Company’s ODV (231 Compliance Body) have obtained periodic updates on the preliminary activities for preparing the NFS, and, within the scope of the functions assigned to it by the law, the Board of Statutory Auditors has supervised the compliance with the provisions under Italian Legislative Decree no. 254/2016.

The NFS also underwent a conformity assessment by EY S.p.A., which in a specific report certified the conformity of the information provided pursuant to article 3, paragraph 10, of Italian Legislative Decree 254/16. The audit was carried out according to the procedures indicated in the ‘Report of the Auditing Firm’.

It should be noted that the NFS was made public by the Company together with the documents relating to the 2022 annual financial statements.

9. Concluding assessments on supervisory activities and the financial statements

The auditing firm, in its report issued pursuant to article 14 of Italian Legislative Decree no. 39 of 27th January 2010, expressed an unmodified opinion on the 2022 financial statements and on the 2022 consolidated financial statements. The attestations of the Financial Reporting Officer and the delegated body pursuant to article 154-*bis* of the TUF are annexed to the financial statements and the consolidated financial statements.

The shareholders’ meeting has been convened to approve the financial statements. The Directors’ proposal to distribute dividends (€ 0.60 per share for the balance of the 2022 financial year), taking into account the advance on the 2022 profits (€ 0.55 per share), provides for the distribution of a total dividend of € 1.15 per share. In order to distribute the dividend, the Company will draw on the profit for the financial year and on the extraordinary reserve.

The Board of Statutory Auditors, on the basis of the activities carried out during the financial year, has not detected any reasons to prevent the approval of the financial statements for the year ended on 31st December 2022 and the related resolution proposals formulated by the Board of Directors.

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It should also be remembered that as previously represented, the mandate of the Board of Statutory Auditors expires with the approval of the financial statements as at 31 December 2022; you are therefore called to appoint, pursuant to the applicable legal and regulatory provisions and the Articles of Association, a new board of statutory auditors for the next three years. We take this opportunity to thank you for trusting us during these years of office.

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Milan/Rome, 29th March 2023

Recordati S.p.A.

The Board of Statutory Auditors of

Antonio Santi

Livia Amidani Aliberti

Ezio Simonelli