

## **REPORT ON CORPORATE GOVERNANCE AND OWNERSHIP STRUCTURE**

Pursuant to article 123-*bis* TUF  
(traditional administration and control model)

**FINANCIAL YEAR 2024**

**Approved by the Board of Directors of  
Arnoldo Mondadori Editore S.p.A.  
on 12 March 2025**

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## GLOSSARY

**Code/CG Code/Corporate Governance Code:** the Corporate Governance Code for listed companies approved in January 2020 by the Corporate Governance Committee.

**Civ. Code/ C.C.:** the Italian Civil Code.

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

**Board of Directors/Board:** the Board of directors of the Issuer.

**Issuer, Company or AME:** Arnoldo Mondadori Editore S.p.A.

**Financial Year:** the financial year to which the Report refers.

**Consob Issuers Regulation/Issuers Regulation:** the Regulation concerning issuers promulgated by Consob with Deliberation no. 11971 of 1999 (as subsequently amended).

**Consob Markets Regulation/Markets Regulation:** the Regulation concerning markets promulgated by Consob with Deliberation no. 20249 of 2017.

**Consob Related Parties Regulation/Related Parties Regulation:** the Regulation concerning related-party transactions promulgated by Consob with Deliberation no. 17221 of 12 March 2010 (as subsequently amended).

**Report:** the report on corporate governance and ownership structure that companies are required to draw up and publish pursuant to art. 123-*bis* TUF.

**Remuneration Report:** the report on remuneration policy and fees paid that companies are required to draw up and publish pursuant to art. 123-*ter* TUF and art. 84-*quater* Consob Issuers Regulation.

**Consolidated Finance Act/TUF:** Lgs.Decree no. 58 of 24 February 1998.

## 1. PROFILE OF THE ISSUER

Arnoldo Mondadori Editore S.p.A. – a company with shares listed on the Borsa Italiana Euronext STAR Milan market – is one of the largest Italian publishers.

The Group is the leading trade book publisher in Italy, with publishing houses and imprints - headed by Mondadori Libri S.p.A. - Mondadori, Giulio Einaudi Editore, Piemme, Sperling & Kupfer, Frassinelli, Rizzoli, BUR, Fabbri Editori, Rizzoli Lizard and Mondadori Electa, joined more recently by De Agostini Libri, UTET, Star Comics and Silvio Berlusconi Editore. It is also active in art and illustrated book publishing, management of museum concessions and organisation of cultural exhibitions and events through the subsidiary Electa S.p.A., and present in the illustrated book sector in the USA and at international level with Rizzoli International Publications Inc. and Chelsea Green Publishing Company.

Furthermore, the Group is the leading player in educational publishing, through Mondadori Education S.p.A., Rizzoli Education S.p.A. and D Scuola S.p.A., with an offer covering every order of educational establishment from pre-schools to universities.

Mondadori's book business is supported by the largest network of bookstores in Italy, managed by Mondadori Retail S.p.A., with more than 500 stores managed directly or through franchising agreements, the bookclub formula and the mondadoristore.it e-commerce website.

Through the subsidiary Mondadori Media S.p.A., the Mondadori Group is Italy's leading digital publisher in multimedia and social media, and also has a relevant presence in magazines. It is also active in influencer marketing with the talent agencies Zenzero, Power and TAAG! and in the business of mobile advertising and conversational marketing with the digital companies AdKaora and Hej!.

## CORPORATE GOVERNANCE SYSTEM

Arnoldo Mondadori Editore S.p.A. has chosen a corporate governance system organised on the basis of the "traditional" administration and control model pursuant to arts. 2380-*bis et seq.* Civ. Code, with a Board of Directors and a Board of Statutory Auditors appointed by the shareholders' meeting, with the roles, functions, composition and responsibilities illustrated in this report.

The Board of Directors has formed a Remuneration & Appointments Committee and a Control, Risks & Sustainability Committee, both with advisory and consultative functions as recommended by the Corporate Governance Code, and a Related Parties Committee pursuant to the Consob Related Parties Regulation and the procedures concerning related-party transactions adopted by the Company.

The Board of Directors is vested with full powers of ordinary and extraordinary administration and plays a central role in the Issuer's corporate governance system by determining the strategy and organisation of the Company and the Group.

## SUSTAINABILITY

Within the framework of the strategic policy activities exercised by the Board of Directors, the pursuit - through a process of gradual formation with a view to integration with the Strategic Plans - of sustainable success, configured by the creation of long-term value for the benefit of shareholders, taking into account the interests of all stakeholders relevant to the Issuer, is of specific importance.

The Issuer has published, on a mandatory basis as an integral part of the report on operations referring to the year 2024, the sustainability report prepared in accordance with Legislative Decree No. 125 of 6 September 2024 implementing EU Directive 2022/2464/EU of the European Parliament and of the Council, the European Sustainability Reporting Standard (ESRS) and in accordance with Article 8 of Regulation (EU) 852/2020 on the European Taxonomy, which requires companies obliged to sustainability reporting to disclose economic activities considered eco-sustainable. Sustainability reporting is available at [www.gruppomondadori.it](http://www.gruppomondadori.it) (governance section//Shareholders' Meeting and Investors Section) and on the authorised storage mechanism 1Info ([www.1Info.it](http://www.1Info.it)).

In relation to the financial year 2024, the contents detailed in the Group Report were identified on the basis of the results obtained following the double materiality analysis (Impact Materiality and Financial Materiality), examined and approved by the Board of Directors, with the advisory and preliminary support of the Risk and Sustainability Control Committee.

The double relevance analysis was carried out in line with the new European Sustainability Reporting Standards (ESRS), and identified significant impacts, risks and opportunities in order to, on the one hand, provide a comprehensive view of the Issuer's environmental, social and governance performance, and, on the other hand, outline the pursuit of long-term value creation for the benefit of all relevant stakeholders of the Group. In 2024, in continuity with previous years, stakeholder engagement, aimed at assessing material impacts, was pursued through the involvement of employees, teachers and customers.

### **Sustainability plan**

The new three-year Sustainability Plan 2025-2027 approved by the Board of Directors enhances the centrality of the Mondadori Group's role as a publisher, emphasising in particular the dimension of social sustainability, alongside environmental and governance sustainability. The results of the dual materiality analysis are structured into three sustainability pillars, strongly linked to the company's identity and business strategy, which are broken down into objectives, actions and targets. The three pillars identified are:

- quality and social value of the publishing offer, through the promotion of reading and accessibility of content;
- efficiency and environmental responsibility of the supply chain;
- valorisation and inclusion of people, through policies of inclusion, social welfare and promotion of human rights along the value chain.

Please refer to the above-mentioned sustainability reporting for detailed information on, inter alia, (i) the methodology and general criteria for preparing the document, (ii) the Group's business model and value chain, (iii) the sustainability strategy and issues relevant to the Group, (iv) the environmental, social and governance information, and (v) the description of the process and results of the double relevance analysis.

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The Board of Statutory Auditors monitors compliance with the law and the Articles of Association and oversees the management of the Company. It also monitors compliance with the principles of correct governance, with a specific focus on the fitness for purpose and operation of the Company's organisational, administrative and accounting structure.

The engagement for auditing the separate financial statements and the consolidated financial statements

for the nine financial years 2019-2027 and providing the additional services as per Lgs.Decree 39/2010 was conferred on the EY S.p.A. auditing firm by the shareholders' meeting of 17 April 2019.

The operations, composition and competences of the Company's governing bodies are examined in detail in this Report.

It should be noted that:

- (i) the Issuer falls within the definition of an SME pursuant to Article 1, paragraph 1, letter w-quater.1) of the TUF and Article 2-ter of the Regulation on Issuers due to a capitalisation value referred to 2024 equal to Euro 607,000,000, below the threshold indicated by the reference legislation.
- (ii) the Issuer comes under the Code's definition of company with concentrated ownership and therefore has flexible options for application of the Code, which are outlined, in particular, in paragraph 16 of this report.

As parent company, the Issuer draws up and approves strategic plans relating to itself and the Group and exercises management and coordination functions pursuant to arts. 2497 *et seq.* Civ. Code over its subsidiary companies.

## **2. INFORMATION ON THE OWNERSHIP STRUCTURE (EX ART. 123-BIS.1, TUF) AS AT 12/03/2025**

### **A) STRUCTURE OF SHARE CAPITAL (EX ART. 123-BIS.1.A), TUF)**

As at the date of approval of this Report, the share capital of Arnoldo Mondadori Editore S.p.A. was 67,979,168.40 Euro fully subscribed and paid-up, represented by 261,458,340 ordinary shares with a par value of 0.26 Euro each. Shares are recorded in a central dematerialised securities depository and are traded on the Mercato Telematico Azionario (MTA) - Euronext STAR Milan market organised and run by Borsa Italiana S.p.A.

Mondadori shares are registered, indivisible, and freely transferable shares which grant the right to vote at the Company's ordinary and extraordinary shareholders' meetings in accordance with law and the Articles of Association; furthermore, they grant the additional administrative and capital rights envisaged by law on shares with voting rights.

There are no other classes of shares or securities not traded on regulated markets.

No other financial instruments are issued that confer the right to subscribe newly-issued shares.

The structure of the share capital at 31 December 2024 is illustrated in Table 1 attached to this Report.

### **B) RESTRICTIONS ON THE TRANSFER OF SHARES (EX ART. 123-BIS.1.B), TUF)**

There are no restrictions on the transfer or holding of shares, nor are there any clauses for approval by the Company or other security holders regarding the transfer of shares.

### **C) MAJOR SHAREHOLDINGS (EX ART. 123-BIS.1.C), TUF)**

Table 1 attached to this Report illustrates the major shareholdings in excess of 5% of capital or above the materiality threshold, held directly or indirectly, as reflected in the stock ledger supplemented by the notices received pursuant to art. 120 Lgs.Decree no. 58/1998 and by other



available information.

#### **D) SECURITIES CONFERRING SPECIAL RIGHTS (EX ART. 123-BIS.1.D), TUF)**

No shares have been issued that confer special control rights.

The extraordinary Shareholders' Meeting of 27 April 2017 approved an amendment to art. 7 of the Articles of Association with the introduction of a system of "increased voting rights" (pursuant to art. 127-*quinquies* of the TUF), which, among other things, provides for a double voting right to be assigned to each share held by the same party for a continuous period of not less than 24 months, as from registration in the special list set up by the Company. As of the date of this Report, 139,359,650 shares representing 53.30% of the share capital and 69.538% of the voting capital were registered in the special list. Increased voting rights had vested on all the shares referred to above as of the date of this Report.

For further information about increased voting rights, see the Regulation for Increased Voting Rights published on the Company website [www.gruppomondadori.it](http://www.gruppomondadori.it).

The Issuer's Articles of Association do not contemplate shares with multiple voting rights.

#### **E) EMPLOYEE OWNERSHIP: MECHANISM FOR EXERCISE OF VOTING RIGHTS (EX ART. 123-BIS.1.E), TUF)**

There is no specific mechanism for the exercise of voting rights - referring to a system of employee share ownership under the Performance Share Plans or MBO Plans in place - other than or in addition to the voting rights applicable to the generality of the shares constituting the entire share capital or providing for voting rights not directly exercised by employees.

#### **F) RESTRICTIONS ON VOTING RIGHTS (EX ART. 123-BIS.1.F), TUF)**

There are no restrictions on the exercise of voting rights with the exception of the treasury shares held by the Company on which voting rights are suspended pursuant to art. 2357-*ter* Civ. Code.

#### **G) SHAREHOLDER AGREEMENTS (EX ART. 123-BIS.1.G), TUF)**

- a) On 15 September 2023, the Company, pursuant to arts. 122 of the TUF and 129.2, and 130.1, of the Issuers Regulation, announced the publication, on the 1Info authorised storage mechanism ([www.1info.it](http://www.1info.it)) and the Investors section of the Mondadori website ([www.gruppomondadori.it/investors/capitale-sociale-e-azionariato/patti-parasociali](http://www.gruppomondadori.it/investors/capitale-sociale-e-azionariato/patti-parasociali)), of the extracts pursuant to art. 129 of the Issuers Regulation and the essential information pursuant to art. 130 of the Issuers Regulation concerning the material agreements pursuant to art. 122 of the TUF contained in the shareholder agreements relating to, among other topics, Fininvest S.p.A. and Arnoldo Mondadori Editore S.p.A., signed on 11 September 2023 by Marina Elvira Berlusconi, Pier Silvio Berlusconi, Barbara Berlusconi, Eleonora Berlusconi and Luigi Berlusconi and also on 11 September 2023 by Marina Elvira Berlusconi and Pier Silvio Berlusconi.
- b) On 22 December 2023 the Company, pursuant to arts. 122 of the TUF, 129.2 and 131.4.b of the Issuers Regulation, published on the 1Info authorised storage mechanism ([www.1info.it](http://www.1info.it)) and the Investors section of the Mondadori website ([www.gruppomondadori.it/investors/capitale-sociale-e-azionariato/patti-parasociali](http://www.gruppomondadori.it/investors/capitale-sociale-e-azionariato/patti-parasociali)) a notice of

termination of the material agreements, pursuant to art. 122 of the TUF, contained in the Shareholder Agreement signed on 11 September 2023 by Marina Elvira Berlusconi, Pier Silvio Berlusconi, Barbara Berlusconi, Eleonora Berlusconi and Luigi Berlusconi relating to, among other topics, Fininvest S.p.A. and Arnoldo Mondadori Editore S.p.A.

- c) On 16 January 2025, the Company, pursuant to Article 122 of the TUF and Articles 129 and 131(4)(b) of the Regulation on Issuers, announced that the extracts pursuant to Article 129 of the Regulation on Issuers and essential information pursuant to Article 130 of the Regulation on Issuers were made available to the public through the authorised storage mechanism 1Info ([www.1info.it](http://www.1info.it)) and on Mondadori's web site in the Investors section ([www.gruppomondadori.it/investors/capitale-sociale-e-azionariato/patti-parasociali](http://www.gruppomondadori.it/investors/capitale-sociale-e-azionariato/patti-parasociali)), relating to significant agreements pursuant to art. 122 of the TUF contained in the shareholders' agreement concerning, among other things, Fininvest S.p.A, Arnoldo Mondadori Editore S.p.A. and Banca Mediolanum S.p.A. signed on 13 January 2025 by Marina Elvira Berlusconi and Pier Silvio Berlusconi.

#### **H) CHANGE OF CONTROL CLAUSES (EX ART. 123-BIS.1.H), TUF) AND PROVISIONS OF THE ARTICLES OF ASSOCIATION WITH REGARD TO PUBLIC TENDER OFFERS (EX ARTS. 104.1-TER, AND 104-BIS.1)**

The loan agreements entered into by AME from time to time provide, as is standard practice for these types of contracts, for possible early repayment in the event of a change in the Company's control structure. In particular, it is envisaged that in the event of a change of control of AME, the Loans will be fully and automatically cancelled, they will no longer be available for use and the lenders' commitment to make the loans available will be deemed immediately, fully and definitively cancelled. AME shall, therefore, repay any utilisation disbursed and not yet repaid under the aforesaid loans, also paying to the lenders the interest accrued and unpaid to that date, commissions and any other amount due to them within 5 (five) business days from the event that produced the change of control.

With regard to public tender offers, the Issuer's Articles of Association:

- do not derogate from the provisions of the Passivity Rule envisaged by art.104.1 and 1-bis of the TUF;
- do not envisage the application of the breakthrough rule contemplated by art. 104-bis.2 and 3 of the TUF.

#### **I) AUTHORISATIONS TO INCREASE THE SHARE CAPITAL AND BUY BACK OWN SHARES (EX ART. 123-BIS.1.M), TUF)**

The Extraordinary Shareholders' Meeting held on 24 April 2024 resolved:

- a) to grant, pursuant to art. 2443 of the Italian Civil Code, the power to the Board of Directors to increase the share capital, on one or more occasions, also in divisible form pursuant to art. 2439 of the Italian Civil Code, within a period of five years from the date of this resolution, by a maximum nominal amount of € 75,000,000.000 through one or more rights issues pursuant to art. 2441 paragraph 1 of the Italian Civil Code, with the power for the Board of Directors to establish, from time to time, the issue price, including any share premium, the dividend entitlement and the term for subscription of the new shares;

- b) without prejudice, within the amount limits set out in art. 23, paragraph 2, of the Articles of Association, to the authority of the Board of Directors pursuant to art. 2410 of the Italian Civil Code regarding the issue of non-convertible bonds, to grant to the Board of Directors, pursuant to art. 2420-ter of the Italian Civil Code, powers to issue, on one or more occasions, bonds convertible into shares to be offered to the rights holders pursuant to art. 2441, paragraph 1, of the Italian Civil Code, for an amount that, taking account of the bonds outstanding at the resolution date of each issue, does not exceed the limits allowed from time to time by law and does not in any case exceed the maximum nominal amount of € 250,000,000.00, establishing the procedures, terms and conditions thereof and the related regulation, including, pursuant to art. 2420-ter paragraph 1 of the Italian Civil Code, powers relating to the corresponding share capital increase to service the conversion through the issue of ordinary shares with the same characteristics as those outstanding, for a maximum nominal amount of € 250,000,000.00, within a period of five years from the date of this resolution.
- c) to grant, pursuant to art. 2443 of the Italian Civil Code, to the Board of Directors the power to increase the share capital on a cash basis, on one or more occasions, also in divisible form pursuant to art. 2439 of the Italian Civil Code, within a period of five years from the date of the resolution, with the exclusion of option rights pursuant to art. 2441, paragraph 4.2, of the Italian Civil Code, through the issue, in one or more tranches, of a number of ordinary shares not exceeding 10% of the total number of shares constituting the share capital of Arnoldo Mondadori Editore at the date of the exercise of the power, and in any case for a nominal amount not exceeding € 20,000,000.00, with the power for the Board of Directors to determine, from time to time, the issue price, including any share premium, the dividend entitlement, and the term for subscription of the new shares, and also to allocate all or part of the share capital increase to service the conversion of bonds issued by third parties, both in Italy and abroad, or warrants, provided that, in accordance with art. 2441, paragraph 4.2 of the Italian Civil Code, the issue price corresponds to the shares' market value and that such correspondence is confirmed in a specific report by the Standing Auditor or the independent auditing firm.

In consideration of the expiration of the previous shareholder authorisation granted on 27 April 2023 and to ensure that the Board of Directors would retain the power to take any opportunities for the investment and trading of treasury shares, the Shareholders' Meeting of 24 April 2024 authorised the buy-back of own shares, pursuant to art. 2357 Civ. Code, for a duration expiring on the approval of the financial statements as at and for the year ended 31 December 2024. Furthermore, pursuant to art. 2357-ter Civ. Code, the Shareholders' Meeting authorised the use of the bought back shares, on the grounds detailed below.

The main elements of the share buy-back program authorised by the Shareholders' Meeting are set out below:

### **1. Reasons**

The request to authorise the buy-back and disposal of Company shares is intended to enable the Company to buy back and dispose of own ordinary shares, as determined from time to time by the Board of Directors, in accordance with the shareholder authorisation. This in accordance with the previous shareholder authorisations and in compliance with current European and national law, and

with the allowed market practices, including the New Market Practice no. 1 adopted by Consob with Resolution no. 21318 of 7 April 2020 subsequent to the favourable opinion expressed by the ESMA on 22 January 2020.

The specific reasons for the request to authorise the buy-back and disposal of own shares are as follows:

- to use bought-back shares or existing treasury shares as consideration for the acquisition of equity investments under the Company's investment policy;
- to use bought-back shares or existing treasury shares in relation to the exercise of conversion rights or other rights on financial instruments issued by the Company, subsidiaries or third parties, and to use the treasury shares for loan, exchange or conferral transactions or to service extraordinary capital transactions or financing transactions or incentives that involve the allocation or disposal of treasury shares;
- to carry out, directly or through brokers, investment transactions in order to contain sharp swings in listed share prices, normalise trading and share price trends and support the stock's liquidity on the market, so as to promote regular trading independently of the normal variations associated with market trends, all in compliance with current regulations;
- to take investment or disinvestment opportunities, also in relation to available liquidity, when deemed by the Board of Directors to be of strategic interest;
- to use the treasury shares to service share-based incentive plans set up pursuant to art. 114-*bis* of the TUF, as well as issues of bonus shares to the employees or to the members of the Company's governing bodies or to the Shareholders.

## **2. Maximum number of shares that may be bought back**

The authorisation refers to the purchase on one or more occasions and in one or more tranches of a maximum number of ordinary shares with a per-share par value of 0.26 Euro that – taking into account the Company's existing treasury shares and any shares it might purchase from subsidiaries – does not exceed 10% of the share capital.

Pursuant to art. 2357, paragraph 1, of the Italian Civil Code, the share buy-backs shall be within the limits of the distributable profits and available reserves reflected in the most recently approved financial statements at the time of the execution of each purchase transaction. The authorisation includes the power to dispose subsequently of the shares that have been bought back, in whole or in part, on one or more occasions and also before reaching the maximum number of shares that may be bought back.

## **3. Buyback procedures and information on the minimum and maximum consideration**

Purchases shall be organised in compliance with arts. 132 of the TUF and 144-*bis*, paragraph 1, heads b) and d-*ter*) of the Issuers' Regulation, and therefore:

- a) on regulated markets or through multilateral trading systems, in accordance with the operating procedures established in the organisation and management regulations of the markets themselves that do not allow the direct pairing of purchase bids with predetermined offers to sell, and in accordance with any other national and community laws.
- b) with the procedures established by the market practices allowed by Consob, as per the combined provisions of art. 180, paragraph 1, head C) of the TUF and art. 13 of Regulation (EU) no. 596/2014 ("**Allowed Market Practices**").

Furthermore, share buybacks may also be executed through the procedures envisaged by art. 3 of the Delegated Regulation (EU) no. 2016/1052 in order to benefit, where there are appropriate grounds, from the exemption as per art. 5, paragraph 1 of Regulation (EU) no. 596/2014 relating to market abuse with reference to insider dealing and market manipulation.

Disposals of treasury shares may be executed, on one or more occasions and also before eventually reaching the maximum number of own shares that may be bought back, both through the sale of the shares on regulated markets and by means of other trading procedures compliant with applicable Italian and community law and Allowed Market Practices.

The proposed authorisation envisages that the purchases be made at a per-share price in accordance with national and community regulations and allowed market practices, provided that the minimum and maximum purchase consideration be set at a per-share price that is not more than 20% below the official Mondadori share price on the day preceding the day of the purchase, and not more than 10% above the official share price on the day preceding the purchase.

In any case – unless prices and volumes are otherwise determined through application of the conditions envisaged by Allowed Market Practices as defined in point 6 below – the price shall be set in compliance with the trading conditions established by Delegated Regulation (EU) no. 1052/2016.

Specifically, shares shall not be purchased at a price higher than the higher of the price of the last independent trade and the highest current independent bid on the trading floor where the purchase is carried out. In terms of volumes, the daily purchased amounts shall not exceed 25% of the average daily trading volume for Mondadori shares in the 20 trading days preceding the purchase dates or in the month preceding the month of the notice required by art. 2, paragraph 1 of Regulation (EU) no. 1052/2016.

With regard to considerations, sale transactions or other disposals of treasury shares shall be executed:

- if arranged in cash, at a price that is not more than 10% below the share price recorded on the Mercato Telematico Azionario - Euronext Milan market organised and managed by Borsa Italiana S.p.A. in the trading session that precedes each transaction;
- if arranged as part of extraordinary transactions, on financial terms to be determined by the Board of Directors based on the nature and characteristics of the transaction, also taking into account the Mondadori share price trend;
- - if arranged to service the Performance Share Plans, in accordance with the conditions and procedures set out in the Shareholder resolutions that established the Plans and in the respective regulations.

#### **4. Term**

The term of the purchase authorisation is requested beginning from the date of the eventual resolution approving the proposal set out herein by the Shareholders' Meeting until the Shareholders' Meeting called to approve the financial statements as at and for the year ended 31 December 2024, and in any case for a period not exceeding 18 months from the date of approval.

Within the term of the authorisation that may be granted, the Board of Directors will be empowered to buy back own shares on one or more occasions and at any time, in freely determined volumes

and times subject to applicable laws and allowed market practices, with the graduality deemed to be in the interest of the Company.

The term of the authorisation for the disposal of treasury shares is requested without time limits, in view of the absence of time limits under current law and of the advisability of enabling the Board of Directors to act with the greatest flexibility, also as regards timing, when disposing of shares.

#### **Buy-backs executed during the financial year**

During the financial year under review and up to the date of this report, the Company bought back a total of 720,000 own shares on the market, representing 0.275% of the share capital. The purchases were carried out in execution of the buy-back program as at art. 5 of Regulation (EU) 596/2014, disclosed to the market on 13 November 2024 and intended exclusively to service the three-year Performance Share Plans established by the ordinary Shareholders' Meeting pursuant to art.114-*bis* of the TUF.

Over the same period, 729,331 shares already held in portfolio as treasury shares were allocated to the Beneficiaries of the 2021-2023 Performance Share Plan.

Including the 1,277,802 shares in portfolio at the date of the shareholders' meeting of 24 April 2024, at the date of this report the Company holds a total of 1,268,471 treasury shares, representing 0.485% of the share capital.

#### **J) MANAGEMENT AND COORDINATION ACTIVITIES (EX. ART. 2497 ET SEQ. C.C.)**

While Fininvest S.p.A. holds a controlling share pursuant to art. 2359 Civ. Code, it does not exercise management and coordination activities as per arts. 2497 *et seq.* Civ. Code over Arnoldo Mondadori Editore S.p.A., and confines itself to financial management of its equity investment in said Company.

It is specified that:

- the disclosures required by art. 123-*bis*.1.i) TUF (agreements in place between the Company and its directors which call for severance pay in the event of resignation or dismissal without just cause, or in the event of termination of employment as a result of a public takeover bid) are provided in the section of the Report on remuneration;
- the disclosures required by art. 123-*bis*.1.l), part one TUF (provisions applicable to the appointment and replacement of directors) are provided in the section of the Report on the Board of Directors.

### **3. COMPLIANCE (EX ART. 123-BIS.2.A), PART ONE, TUF)**

Arnoldo Mondadori Editore S.p.A. adheres to the Corporate Governance Code as approved by the Corporate Governance Committee in January 2020 and published on the website [www.borsaitaliana.it/comitato-corporate-governance/codice/codice.htm](http://www.borsaitaliana.it/comitato-corporate-governance/codice/codice.htm), recognising the Code as a reference model for its own organisational structure and corporate governance practices.

The corporate governance system applied by the Company is described below, indicating the procedures and measures adopted or planned for compliance with each principle or recommendation.

Arnoldo Mondadori Editore S.p.A. and its subsidiaries are not subject to non-Italian laws that influence its corporate governance structure.

## 4. BOARD OF DIRECTORS

### 4.1 ROLE OF THE BOARD OF DIRECTORS

The Board of Directors plays a central role in the Issuer's corporate governance system by determining the strategy and organisation of the Company and the Group and, pursuant to the Articles of Association, has full powers of ordinary and extraordinary management of the Company, without prejudice to the powers and functions reserved by law to the shareholders' meeting.

As recalled and explained in the "Sustainability Profiles" section, within the framework of the strategic policy activities exercised by the Board of Directors, the pursuit - through a process of gradual formation with a view to integration with the Strategic Plans - of sustainable success, configured by the creation of long-term value for the benefit of shareholders, taking into account the interests of all stakeholders relevant to the Issuer, is of specific importance.

Specifically, in exercising this role, the Board of Directors:

- a) examines and approves the projected results set out in the budget and the industrial and financial strategic plans of the Company and the Group, based on its analysis of key issues for the long-term creation of value, and monitors their implementation;
- b) using the information it receives from the Chief Executive Officer on at least a quarterly basis, assesses general operating performance and at least annually compares actual results with the projected results in the budget;
- c) with the advisory and recommendatory support of the specific Committee, defines guidelines for the internal control and risk management system, determining the level of compatibility of said risks with management consistent with the strategic objectives, including in its assessments the risks that could become significant over the medium/long-term with regard to sustainability;
- d) examines and approves the corporate governance system of the Company and the structure of the Group;
- e) with the support of the Control, Risks & Sustainability Committee, evaluates the fitness for purpose of the administrative and accounting organisational structure of the Company and strategically significant subsidiaries, with particular reference to the internal control and risk management system as detailed in point f) below;
- f) at least once a year, ascertains that the internal control and risk management system is fit for purpose in consideration of the characteristics of the Company and its risk profile, and assesses its effectiveness;
- g) at least once a year, and after consulting with the Board of Statutory Auditors and the Director in charge of the internal control and risk management system, approves the action plan prepared by the Head of the Internal Audit Function;
- h) appoints and revokes the Head of the Internal Audit Function as proposed by the director in charge of the internal control and risk management system, after obtaining the favourable opinion of the Control, Risks & Sustainability Committee and consulting with the Board of Statutory Auditors. With the support of the Control, Risks & Sustainability Committee, it also verifies that the Internal Audit function is provided with adequate resources to carry out its responsibilities;

- i) after consulting with the Board of Statutory Auditors, evaluates the findings set out by the independent auditor in any qualified opinion letter and in its report on the fundamental questions that emerged during the statutory audit;
- j) attributes and revokes the powers of the Chief Executive Officer, determining their limits and exercise, and, on a proposal of the Remuneration & Appointments Committee and after consultation with the Board of Statutory Auditors pursuant to art. 2389 Civ. Code, determines the remuneration of the Chief Executive Officer and the other directors with special responsibilities;
- k) on the proposal of the Chair in agreement with the Chief Executive Officer, adopts a procedure for the internal management and public disclosure of documents and information concerning the Company, with particular reference to insider information;
- l) approves in advance all Company transactions with a material impact on business performance, financial position and cash flow. Specifically, a Board resolution has determined that the following types of transactions be considered to be of material impact, and that their examination and approval be exclusively reserved to the Board of Directors:
  - acquisitions, conferrals and sales of equity investments, company divisions and real estate assets;
  - joint venture agreements;
  - the issue of personal guarantees and collateral to third parties in the interest of the Company or of its subsidiaries, for amounts over 20 million Euro;
  - investments in property, plant and equipment for amounts over 5 million Euro per investment.

The Board of Directors examines and approves in advance all transactions that have a material strategic impact on the business performance, financial position and cash flow of the Company and its subsidiaries.

The transactions pertaining to subsidiaries that must be submitted for approval to the Board of Directors of Arnoldo Mondadori Editore S.p.A. are classified as material on the basis of subject and value.

Specifically, the following transactions pertaining to subsidiaries are identified as material:

- acquisitions, conferrals and sales of equity investments;
- joint venture agreements;
- acquisitions, conferrals and sales of companies and company divisions;
- acquisition and sale of real estate;
- investments in property, plant and equipment of greatest importance to the Group;
- taking on of loans, issue of personal guarantees or collateral;

in the event that one or more of the following criteria apply:

- the transactions qualify as liable to significantly influence the share price pursuant to Legislative Decree No. 58/1998, and as such are subject to mandatory disclosure to the market;
- transactions that have a material impact on business performance, financial position and cash flow.



Specifically, any transaction of the types listed above with a value of more than 15 million Euro in terms of total amount or consideration, qualifies as having a material impact on business performance, financial position and cash flow.

#### **4.2 APPOINTMENT AND REPLACEMENT (EX ART. 123-BIS.1.L), PART ONE, TUF)**

The appointment and replacement of Directors are regulated by current law, as enacted and, to the extent allowed, by the Articles of Association.

The provisions of art. 17 of the current Articles of Association with regard to the procedures of the list voting system used to appoint Directors are set out below. Please note that the Articles of Association do not provide for the possibility of the outgoing Board of Directors to submit a list.

Pursuant to art. 17.1 of the Articles of Association, Arnoldo Mondadori Editore S.p.A. is governed by a Board of Directors consisting of not fewer than seven and not more than 15 members, and the number of directors within these limits is established by the Shareholders' Meeting.

Pursuant to art. 17 of the Articles of Association, the Directors are elected by list voting and must be in possession of the requirements indicated by the applicable primary and secondary legislation and may be re-elected.

Under Consob Determination no. 123 of 28 January 2025, the current minimum ownership stake required for the submission of lists at Arnoldo Mondadori Editore is set at 2.5% of its share capital. The same minimum ownership stake of 2.5% was applicable at the time of the appointment of the Board of Directors by the Shareholders' Meeting of 24 April 2024.

As a company listed on the Euronext STAR Milan segment of Borsa Italiana, under art. 2.2.3.3 of the Borsa Italiana Regulation, in order to maintain its STAR status Arnoldo Mondadori Editore S.p.A. is required, among other things, to guarantee an adequate number of non-executive and independent directors, all with appropriate professionalism and competences for the tasks assigned to them, in compliance with current law.

During 2021, the Board of Directors approved amendments to align the Articles of Association with the new provisions of law concerning gender balance in the governing and control bodies of listed companies, pursuant to arts. 147-*ter*.1-*ter* and 148.1-*bis* of Lgs.Decree no. 58/1998 (as most recently amended by Law no. 160/2019).

Specifically, Law no. 160/2019 increased the share of the less represented gender in the governing and control bodies of listed companies from one third to two fifths.

Two fifths of the members of the Board of Directors in office in the financial year – elected by the Shareholders' Meeting of 24 April 2024 – are made up of the “less represented gender” in compliance with the laws on gender balance.

Pursuant to art. 17.3 of the Articles of Association, in relation to the subdivision of the directors to appoint, lists that have not obtained a percentage of votes equal to at least half that required for their presentation are not taken into account, as allowed by art. 147-*ter* of Lgs.Decree no. 58/1998.

The provisions of the Articles of Association regulating the composition and appointment of the Board of Directors guarantee compliance with legal requirements as per art. 147-*ter* of Lgs.Decree no. 58/1998 and its implementing rules, as indicated in art. 17 of the Articles of Association set out below.

The Company is not subject to additional laws concerning the composition of the Board of Directors other than the provisions of the C.C. and Lgs.Decree no. 58/1998, referenced by art. 17 of the Articles of Association set out below.

**Article 17 of the Articles of Association:**

*17.1 The Company is managed by a Board of Directors composed of seven to fifteen directors, who must meet the requirements envisaged by the applicable primary and secondary regulations and whose terms of office may also be renewed.*

*17.2 Before proceeding with the appointment of the members of the Board of Directors, the Shareholders' Meeting shall determine the relevant number and the term of office in compliance with the time requirements established by law.*

*17.3 The Board of Directors is appointed by the Shareholders' Meeting on the basis of lists containing not more than fifteen candidates, with each one being attributed a progressive number. A candidate may only be present in one list, otherwise s/he is ineligible for election. Shareholders with voting rights have the right to submit lists, alone or together with other shareholders, when they represent at least the percentage of share capital, subscribed as of the date of submission of the list, determined and published by Consob pursuant to the regulation adopted by means of resolution no. 11971 of 14 May 1999 and subsequent changes and additions (hereinafter also "Issuers Regulation"). The ownership of the share capital is determined by taking into account the shares that have been registered in favour of the shareholders on the day on which the list is filed with the Company, with reference to the subscribed capital as of the same date. The relevant confirmation or certification may be notified or produced also subsequent to the filing of the list, provided that it is served to the Company within the term established for the publication of the lists by the Company. The Company allows the shareholders who wish to submit lists to submit them by at least one means of remote communication, in accordance with the procedures indicated in the relevant call for the Shareholders' Meeting which allow for the identification of the shareholders upon submission. The interest percentage required for the submission of the lists of candidates for election to the Board of Directors is specified in the notice of call for the Shareholders' Meeting convened to deliberate the appointment of the Board. No shareholder may submit or vote more than one list, either directly or through nominees or trust companies. Shareholders belonging to the same group – being herein intended as the parent company, subsidiaries and companies under joint control – and shareholders who have adhered to a shareholders' agreement pursuant to article 122 Lgs.Decree no. 58/1998 referring to the Issuer's shares, may not submit nor vote more than one list, directly or through third parties or trust companies. Any list that contains no more than seven candidates shall include and identify at least one candidate who meets the criteria set out in Lgs.Decree no. 58/1998 for the independent directors of listed companies (hereinafter also "Independent Directors pursuant to Lgs. Decree no. 58/1998" or "Independent Director pursuant to Lgs.Decree no. 58/1998"). Any list that contains a number of candidates exceeding seven shall include and identify at least two candidates who meet the criteria for directors set out in Lgs.Decree no. 58/1998. In order to ensure a gender balance in compliance with the applicable laws and regulations, lists containing three or more candidates must have candidates of both genders, in the proportions indicated by the applicable laws and regulations governing gender balance. The lists are filed with the Company by the twenty-fifth day preceding the date scheduled for the Shareholders' Meeting on first or single call convened to deliberate the appointment of the members of the Board of Directors, and made available to the public at the Company's registered office, on the website and by other means envisaged by the applicable regulatory provisions, at least twenty-one days before the date of the*

*Shareholders' Meeting. The lists shall include: a) information relative to the identity of the shareholders who have submitted the lists with indication of the overall percentage interest; b) a declaration from the shareholders who have submitted the lists and other than those who hold, individual or collectively, a controlling interest or a relative majority, certifying the non-existence or the existence of relations with the latter, as per article 144-quinquies, first paragraph, of the "Issuers Regulation"; c) exhaustive information on the personal and professional characteristics of the candidates as well as a declaration by the candidates certifying that they meet the requirements envisaged by law and that they accept the candidacy, as well as their eventual compliance with the independence requirements specified in article 148, paragraph 3 of Lgs.Decree no. 58/1998. The lists submitted without compliance with the afore specified provisions shall not be presented for voting. Before the vote, the Chair of the meeting shall make reference to any declarations under letter b) above, inviting participants, who have not filed or contributed to the filing of any lists, to declare any possible relations as specified above. Should a party that has relations with one or more reference shareholders vote for a minority list, the existence of such relationship becomes relevant only if the vote is decisive for the appointment of the director. In relation to the breakdown of the directors to be appointed, the lists that have not obtained a percentage of votes at least equal to half that required for the relevant submission are not taken into account.*

*17.3-bis If several lists have obtained the percentage of votes required pursuant to the paragraph above, the directors shall be elected as follows: a) the number of candidates elected to the office of director in the list that has obtained the highest number of votes shall be: (i) directors to be elected except for the last, according to the progressive order of the list or (ii) those indicated in the same list in which their number is lower than the number of directors to be elected; b) also elected will be the remaining director, or the higher number of directors in the cases indicated under (ii) above, from the list that is second in terms of the number of votes obtained and is not connected, directly or indirectly, with the shareholders that submitted or voted for the list that obtained the highest number of votes. If more than one director is selected from the second list, the candidates indicated therein shall be elected in the progressive order in which they are listed. If two or more lists have obtained an equal number of votes, the one presented with the highest share of capital will prevail, or, in the event of a tie, the one with the largest number of shareholders. The first ranking candidate in the list that has obtained the highest number of votes shall be appointed Chair of the Board of Directors. If independent directors are not elected from the majority list pursuant to Lgs.Decree 58/1998, in the minimum number provided by the provisions of the law and the regulations, instead of the candidate in the first place of the second list in terms of the number of votes obtained, the first candidate, in progressive order, of that list with the aforementioned independence requirement will be elected. If following the completion of the voting and the procedures above the composition of the Board of Directors is not in line with the laws applicable from time to time regarding gender balance, as many elected candidates as necessary will be excluded, from among those that are last in order of preference on the majority list, and replaced with candidates that have the necessary gender characteristics taken from the list based on the progressive order in which they are listed, provided the minimum number of independent directors pursuant to Lgs.Decree 58/1998 as required by the applicable provisions is reached. If the procedures set forth in the previous paragraphs of this section 3-bis do not provide the result required with regard to Independent Directors pursuant to Lgs. Decree 58/1998 and/or gender balance, the replacement will be made with a resolution of the Shareholders' Meeting carried by relative majority, following presentation of candidacies of*

*individuals who possess the necessary independence requirements or who belong to the less represented gender.*

*17.4 Should one single list be presented, the Shareholders' Meeting shall express its vote on it and, if that list obtains the majority requested by articles 2368 et seq. of the Italian Civil Code, the candidates, in progressive order, shall be elected directors up to the number of directors established by the Shareholders' Meeting. The candidate indicated as first in the list is appointed Chair of the Board of Directors. If by this process for the appointment of a Board of Directors the regulatory provisions concerning independent directors and/or the balance between genders are not satisfied, the procedure outlined in paragraph 3-bis above of this article will be adopted.*

*17.5 In the absence of lists or if no person obtains the percentage of votes indicated under par. 3 above of this article or in the case in which through the voting procedure by list the number of candidates elected is lower than the number established by the Shareholders' Meeting, the Board of Directors shall be respectively appointed or supplemented by the Shareholders' Meeting according to the majorities established by law.*

*17.6 In the event that one or more directors cease to hold office for whatever reason, the remaining directors shall replace them by co-opting new directors pursuant to art. 2386 Civ. Code, subject to the obligation to ensure the minimum number of Independent Directors pursuant to Lgs.Decree 58/1998 and the applicable provisions with regard to gender balance. In particular: a) if the departing director was selected from a list containing names of candidates that were not elected, the Board of Directors will make the replacement by appointing, in progressive order, the first candidate who was not elected from the list from which the departing director was elected, provided (i) the candidate can be elected at the given time and is willing to take on the office and (ii) the provisions applicable from time to time regarding gender balance are complied with; b) if an Independent Director pursuant to Lgs.Decree 58/1998, departs, the Board of Directors will make the replacement by appointing, to the extent that this is possible, the first of independent directors who were not elected from the list from which the departing independent director was elected, provided that the provisions applicable from time to time regarding gender balance are complied with; c) if there remain no candidates from the aforementioned list who were not elected previously, or the procedures for replacement do not allow for compliance with the presence on the Board of the minimum number of Independent Directors established pursuant to Lgs.Decree 58/1998 and to the laws applicable from time to time regarding the less represented gender, or if, at the time of election, lists are not submitted, the Board of Directors will replace the departing directors without observing the provisions set forth under points a) and b) above, in compliance with the regulations applicable from time to time regarding independent directors and gender balance. The appointment, by the shareholders, of directors to replace outgoing directors, including co-opted directors, is made freely with the majorities established by law, without prejudice to the obligation to comply with the minimum number of Independent Directors pursuant to Lgs.Decree 58/1998 and the applicable provisions with regard to gender balance.*

The appointment of the members of the Board of Directors by the Shareholders' Meeting of 24 April 2024 was on the basis of the lists presented, pursuant to art. 17 of the Articles of Association and in compliance with current laws and regulations, as follows: one by the majority shareholder Fininvest S.p.A., owner of an interest of 53.299% of the share capital for a total of 139,355,950 shares, and the other by a shareholder grouping of asset managers and institutional investors, holding a total of 15,660,100 shares representing 5.989% of the share capital.

The lists in question were accompanied by the declarations of the individual candidates attesting the non-existence of causes of ineligibility and incompatibility and the existence of the requirements for the assumption of office, and by a *curriculum vitae* setting out personal and professional characteristics and, where relevant, indicating their qualification as independent pursuant to the Corporate Governance Code and art. 147-ter of Lgs. Decree no. 58/1998 and current regulations.

The shareholders forming the grouping of asset managers and institutional investors filed together with the lists, also pursuant to Consob Communication no. DEM/9017893 of 26 February 2009, declarations attesting to the absence of connections and or significant relationships with the shareholders who alone or together hold a controlling or relative majority interest, as envisaged by articles 147-ter.3, 148.2 of the TUF and 144-quinquies of the Issuers Regulation.

The list presented by the shareholder Fininvest S.p.A. obtained a percentage of votes in relation to the voting capital equal to 79.39%, while the list presented by the grouping of shareholders formed by asset management companies and institutional investors obtained a percentage of votes in relation to the voting capital equal to 20.60%.

During 2021, the Board of Directors, on the proposal of the Remuneration & Appointments Committee, approved the "Policy on criteria for assessment of the independence requirements for directors" ("Policy"), available on the [www.gruppomondadori.it](http://www.gruppomondadori.it) website in the Governance section.

With a view to the possible exclusion of the independence requirement for directors as per recommendation 7 of the Code, the Policy predefines the quantitative and qualitative criteria for assessing the significance:

- (i) of any business, financial or professional relations of the independent directors with:
  - 1.1) Arnoldo Mondadori Editore S.p.A.;
  - 1.2) the companies controlled by Arnoldo Mondadori Editore S.p.A.;
  - 1.3) the executive directors and top management of Arnoldo Mondadori Editore S.p.A. and the companies controlled by Arnoldo Mondadori Editore S.p.A.
  - 1.4) the party that controls Arnoldo Mondadori Editore S.p.A. or, if the controlling party is a company, with that company's executive directors or top management;
- (ii) of any additional remuneration – with respect to the fixed fee for the post and that envisaged for participation in the committees recommended by the Code or envisaged by current laws – that the independent directors might receive for other posts in:
  - 2.1) Arnoldo Mondadori Editore S.p.A.;
  - 2.2) companies controlled by Arnoldo Mondadori Editore S.p.A.;
  - 2.3) the company that controls Arnoldo Mondadori Editore S.p.A.

## **2. Identification of the Significance Criteria**

### **2.A) Business or financial relations or professional services**

#### **Quantitative Significance Criteria**

Relations of a business or financial nature or professional services with the parties indicated above at subheads 1.1) 1.2) 1.3) 1.4) are deemed significant when, in the Reference Period (meaning the period including the current financial year and the three previous financial years with respect to the assessments of the independence requirements of the directors to be performed at least on an

annual basis by the Board of Directors), they are, individually or cumulatively, equal to or greater than the values indicated below, subject to application of the cap indicated in point 2.B below.

relations of a business or financial nature:

- (i) (5)% of the most recent annual revenues of the enterprise or entity of which the Director holds control or is an executive Director, or of the professional firm or consultancy of which s/he is a partner; and/or
- (ii) (5)% of the costs sustained by the Mondadori Group in the most recently closed financial year that can be related to the same type of contractual relationship;

professional services:

- (i) (5)% of the most recent annual revenues of the enterprise or entity of which the Director holds control or is an executive Director, or of the professional firm or consultancy of which s/he is a partner; and/or
- (ii) (2.5)% of the costs sustained by the Mondadori Group in the most recently closed financial year that can be related to engagements of a similar kind.

Qualitative Significance Criteria

When a director is also a partner of a professional firm or of a consultancy company, the professional relations of the firm and/or the consultancy company with the parties indicated above at subheads 1.1) 1.2) 1.3) 1.4) may also qualify as significant – irrespective of the quantitative criteria indicated above – when:

- they may have a material effect on the director's position and role in the firm or consultancy company, or
- they relate to important transactions of the Company and the group to which it belongs.

**2.B) Maximum amounts (“Caps”)**

Business or financial relations or professional services with the parties indicated above at subheads 1.1) 1.2) 1.3) 1.4) are considered significant in any case – irrespective of the amounts indicated in point 2.A above – when, in the Reference Period, individually or cumulatively, they are equal to or above the amounts set out below:

- (i) 50,000.00 Euro if the payment is made directly to the director as a natural person;
- (ii) € 100,000.00 if the payment is made not directly but to professional firms / consultancy companies of which the director is a partner or to companies controlled by the director or of which they are an executive director.

**2.C) Additional Remuneration**

Additional Remuneration received by the director for other posts in the parties indicated above at subheads 2.1) 2.2) 2.3) are qualified as significant when, individually or cumulatively, they exceed 50% of the fixed fee for the post of director and that established for participation in the committees recommended by the Code or envisaged under current laws, received on an annual basis from Arnoldo Mondadori Editore S.p.A. by the director in question.

#### 4.3 COMPOSITION (EX ART. 123-BIS.2.D) AND D-BIS, TUF)

With regard to the period covered by this report, the composition of the Board of Directors was as follows:

- a) The Board of Directors was appointed by the Shareholders' Meeting on 27 April 2021, with a three-year term of office, that is, until the Shareholders' Meeting to approve the financial statements as at and for the year ending 31 December 2023.

- 3 Executive Directors:

**Marina Berlusconi**, Chair.

Although the Chair does not hold individual management authority in the Company, she qualifies as an Executive Director since she works alongside the Chief Executive Officer on the development of strategies to be submitted to the Board of Directors for approval.

**Antonio Porro**, Chief Executive Officer.

**Alessandro Edoardo Franzosi**, who qualifies as an Executive Director based on his executive positions in the Company as Central Director for Administration, Finance & Control.

- 9 Non-Executive Directors, defined as such because they do not hold individual management authority or executive positions in the Company (or in strategic Group companies), or positions in the controlling company of relevance to the Company:

**Pier Silvio Berlusconi**

**Elena Biffi** - Independent Director

**Valentina Casella** - Independent Director

**Francesco Currò**

**Paola Elisabetta Galbiati** - Independent Director

**Danilo Pellegrino**

**Alceo Rapagna** - Independent Director

**Angelo Renoldi** - Independent Director

**Cristina Rossello**

- b) The Board of Directors was appointed by the Shareholders' Meeting on 27 April 2021, with a three-year term of office, that is, until the Shareholders' Meeting to approve the financial statements as at and for the year ending 31 December 2023.

- 3 Executive Directors:

**Marina Berlusconi**, Chair.

Although the Chair does not hold individual management authority in the Company, she qualifies as an Executive Director since she works alongside the Chief Executive Officer on the development of strategies to be submitted to the Board of Directors for approval.

**Antonio PORRO**, Chief Executive Officer and General Manager.

**Alessandro Edoardo Franzosi**, who qualifies as an Executive Director based on his executive positions in the Company as Central Director for Administration, Finance & Control.

- 9 Non-Executive Directors, defined as such because they do not hold individual management authority or executive positions in the Company (or in strategic Group companies), or positions in the controlling company of relevance to the Company:

**Pier Silvio Berlusconi**

**Elena Biffi** - Independent Director

**Pietro Bracco** - Independent Director

**Francesco Currò**

**Paola Elisabetta Galbiati** - Independent Director

**Danilo Pellegrino**

**Riccardo Perotta** - Independent Director

**Marina Rubini** - Independent Director

**Cristina Rossello**

The personal and professional biographies of each member of the Board of Directors can be found on the website [www.gruppomondadori.it](http://www.gruppomondadori.it) - Governance section.

Please refer to Table 2 attached to this Report for specific details on the composition of the Board of Directors, including the lists from which the Directors appointed by the Shareholders' Meeting were drawn. In particular, at the above-mentioned Shareholders' Meeting of 24 April 2024, lists were presented for the appointment of the Board of Directors by the shareholder Fininvest S.p.A., holder of 139,355,950 shares corresponding to 53.299% of the share capital and 69.853% of the voting rights, and by a group of shareholders consisting of asset management companies and institutional investors holding a total of 15,660,100 shares equal to 5.989% of the share capital.

The aforementioned lists, accompanied by the information referred to in Article 144-*octies* of the Issuers' Regulations, are available at [www.gruppomondadori.it](http://www.gruppomondadori.it) Governance section (Shareholders' Meeting of 24 April 2024).

#### **DIVERSITY CRITERIA AND POLICIES IN THE COMPOSITION OF THE BOARD AND THE CORPORATE ORGANISATION**

During the year, the Board of Directors, upon the proposal of the Remuneration and Appointments Committee, approved, also in relation to the results of the self-assessment process carried out during the year and in view of its renewal, the Guidelines on the qualitative and quantitative composition deemed optimal of the Board of Directors (the “**Board of Directors Guidelines**”), also with reference to the identification of diversity criteria for the composition of the Board. The material referred to above is published on the website [www.gruppomondadori.it](http://www.gruppomondadori.it), in the Governance section, and is available on the 1info authorised storage system ([www.1info.it](http://www.1info.it)).

Taking into account what is indicated by the Code on the subject of professional characteristics, experience, including managerial experience, and diversity, and considering the skills deemed necessary also in light of the characteristics of the sector in which the Company operates, in formulating the Board of Directors Guidelines, the Board of Directors has noted the opportunity of:

- a) ensuring and enhancing gender diversity, in compliance with the Code and the applicable laws and regulations;
- b) enhancing the various professional skills on the Board of Directors, given the advisability of the presence of persons with competences in the sector in which the Company operates, in finance, law and corporate governance, digital technology, internal control system, sustainability, communication, in order to ensure complementarity and exchanges of experience and competences in the governing body.

The Company has identified the aforementioned Board of Directors Guidelines to Shareholders as a suitable tool for implementing diversity criteria in the composition of the Board.

The current composition of the Board of Directors as regards age, gender and educational/professional background provides a mix of the main complementary competences and



experiences necessary for the strategic and substantial contribution required by the management of the Company and its specific line of business.

The Company has also requested the presenters of the lists for the appointment of the Board of Directors to provide adequate information, in the documentation submitted for the filing of the list, on the compliance of the list with the aforementioned Guidelines adopted by the Board of Directors, also with reference to the diversity criteria.

With reference to the corporate organisation, during 2021 a new Diversity & Inclusion function reporting directly to the Chief Executive Officer was set up, to valorise diversity in terms of gender, age and competences and foster inclusivity in the Company. The new function works systematically to collect the data needed to analyse and manage phenomena such as the gender pay gap and the co-existence of different generations in the workplace and promote growth paths open to everyone, fostering the development of interfunctional projects that embrace business challenges and the diversity culture.

#### **LIMIT ON ACCUMULATION OF POSITIONS HELD IN OTHER COMPANIES**

Specific guidance is not provided with respect to the maximum number of directorships or auditorships that members of the Board of Directors may hold, since the assessment is the responsibility of the individual director when accepting an appointment.

It should also be noted that, within the framework of the aforementioned Guidelines, the Board of Directors has recommended that due consideration be given to the number of positions held and the availability of time that candidates for the office of Director could guarantee in the performance of their duties, considering them key components for the effective performance of the role. In particular, the Board has recommended that the time availability of candidates for the position of Director be carefully considered, also taking into account any other positions held in other listed or large companies.

This position also applies with reference to the Regulation of the Board of Directors mentioned in section 4.4 below, which provides that acceptance of the position requires all the Company Directors to make a prior assessment of their ability to devote the necessary time to diligent performance of the tasks and responsibilities assigned to them.

The following table lists the positions held by the current members of the Board of Directors of Arnoldo Mondadori Editore S.p.A. as director in other listed and non-listed companies, and, for the purposes of completeness, offices held within the Mondadori Group, even for a period of less than a year.

<b>Board of Directors</b>	<b>Positions held by the Directors</b>
Marina Berlusconi	Chair of the Board of Directors of Fininvest S.p.A. Director of MFE-MEDIAFOREUROPE N.V. Director of the Mediolanum Foundation
Antonio Stefano Porro	Chair of the Board of Directors of Mondadori Libri S.p.A. Chair of the Board of Directors of Mondadori Media S.p.A. Chair of the Board of Directors of Mondadori Scuola S.p.A. Chair of the Board of Directors of Mondadori Plai S.p.A. Deputy Chair of Mediamond S.p.A. Director of Giulio Einaudi Editore S.p.A. Director of De Agostini Libri S.r.l.

Pier Silvio Berlusconi	Chair of the Board of Directors of Medusa Film S.p.A. Chair and Chief Executive Officer of R.T.I. S.p.A. Deputy Chair and Chief Executive Officer of Mediaset S.p.A. Chief Executive Officer di MFE-MEDIAFOREUROPE N.V. Director of Publitalia '80 S.p.A. Director of Fininvest S.p.A. Chair of the Board of Directors of MFE Advertising S.p.A.
Pietro Bracco	Director of Ferrovie dello Stato Italiane S.p.A. Auditor of Customs and Monopolies Agency
Francesco Currò	-
Elena Biffi	Director of FinecoBank S.p.A. Director of Revo Insurance S.p.A.
Alessandro Edoardo Franzosi	Director of Giulio Einaudi editore S.p.A. Director of Mondadori Libri S.p.A. Director of Mondadori Retail S.p.A. Director of Mondadori Media S.p.A. Director of Attica Publications S.A. Director of D Scuola S.p.A. Director of Mediamond S.p.A. Director of Mondadori Scuola S.p.A. Director of Mondadori Plai S.r.l.
Danilo Pellegrino	Chair of the Board of Directors of Alba Servizi Aerotrasporti S.p.A. Chair of the Board of Directors of ISIM S.p.A. Deputy Chair of Il Teatro Manzoni S.p.A. Chief Executive Officer of Fininvest S.p.A. Director of MFE-MEDIAFOREUROPE N.V. Director of A.C. Monza S.p.A.
Paola Elisabetta Galbiati	Director of Illimity Bank S.p.A. Director of Illimity Sgr
Riccardo Perotta	Director of Mittel S.p.A. Chair of the Board of Statutory Auditors Cassa Lombarda S.p.A. Chair of the Board of Statutory Auditors Creset S.p.A. Chair of the Board of Statutory Auditors Fire S.p.A. Chair of the Board of Statutory Auditors Fire Group S.p.A. Chair of the Board of Statutory Auditors FSI SGR S.p.A. Chair of the Board of Statutory Auditors Saipem Offshore Construction S.p.A. Auditor of Boeing S.p.A. Auditor of Pirelli C. S.p.A. Auditor of Servizi Energia Italia S.p.A.
Marina Rubini	Director of Banca Nazionale del Lavoro S.p.A.
Cristina Rossello	Chair of the Board of Directors of Immobiliare Leonardo S.r.l. Chairman of the Board of Directors of Terni de Gregory Foundation Director of Spafid S.p.A. Director of AC Monza S.p.A. Director of Il Teatro Manzoni S.p.A. Director of C&C WEALTH MANAGEMENT S.r.l.

#### 4.4. OPERATION OF THE BOARD OF DIRECTORS (EX ART. 123-BIS.2.D), TUF)

The Board of Directors has adopted a regulation that sets out the principles and procedures by which the Board itself and the Board Committees operate, to ensure effective management of meetings and information provided at and before meetings.

Specifically, with regard to content, the regulation governs:

- methods and timing for the drafting and approval of minutes of meetings, subject to approval by the Board at the opening of the first meeting following the meeting to which the minutes refer;
- procedures for the management of pre-meeting information for the Directors. Through the Secretary to the Board, the Chair ensures that the Directors receive adequate information about the items on the agenda of each meeting. In this regard, the data and information subject to the information flows to the Board of Directors are managed through an electronic platform suitable to ensure the confidentiality of such information flows.

Ancillary documents on the items on the agenda of the meetings are made available to each Director and Statutory Auditor no later than the third day before the day of the meeting. This term was met in the financial year under review.

With regard to urgent matters, prior transmission of information is supplemented and/or replaced by special pre-meeting sessions or analytical illustration of the documentation at the meeting.

In urgent situations and/or in the event of specific circumstances, the ancillary documents are supplemented and/or replaced with special pre-meeting induction sessions to illustrate the subjects to be discussed.

When the information made available is voluminous or complex, and if deemed appropriate by the Chair, it may be accompanied by a summary of key points for the discussion, on the understanding that the summary cannot be considered in any way as a substitute for the full documentation sent to the Directors.

All the Directors and Statutory Auditors are required to keep the documents and information acquired in the performance of their duties confidential and to comply with the procedures adopted by the Company for the internal management and public disclosure of such documents and information.

With reference to management of insider information as per Regulation (EU) no. 596/2014, the specific "Insider Information Procedure" approved by the Board of Directors is applied.

In 2024, the Board of Directors held 6 meetings, which were regularly attended by the Board of Statutory Auditors. Each meeting lasted, on average, 2.30 hours.

When the Board of Directors meets to discuss agendas with a large number of items or questions of particular importance or complexity, it is customary to hold specific "pre-Board" sessions for a prior collective examination of the items on the agenda and related documents previously made available to the directors.

Table 2 attached to this Report shows the attendance rate at the meetings of each director.

With regard to the meetings of the Board of Directors planned for 2025, as of the time of writing, 3 meetings had been held and the following additional meetings are planned, as per the published corporate calendar<sup>1</sup>:

- 14 May 2025: approval of additional periodical financial information at 31 March 2025;
- 31 July 2025: approval of the half-year financial report at 30 June 2025;
- 13 November 2025: approval of additional periodical financial information at 30 September 2025.

***Participation of managers at meetings of the Board of Directors and the committees.***

The rules that govern the operation of the Board of Directors and the Board Committees regulate the access of the Board and the committees to the relevant company functions in relation to the issue under discussion, as well as the participation at meetings of company managers or other parties or external consultants whose presence is deemed useful.

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<sup>1</sup> The Company is required to draw up and publish quarterly results by virtue of its inclusion, since 29 November 2016, in the Euro Next STAR Milan Segment.

These persons attend board meetings only for the discussion of the items of relevance to them and are required to comply with the confidentiality obligations established for board meetings.

Specifically, in agreement with the Chief Executive Officer or at the request of the Directors, the Chair may ask that the meetings of the Board of Directors be attended by Company executives or subsidiary heads of division and, as applicable, consultants, to attend Board meetings in order to illustrate specific issues relating to items on the agenda or concerning their business divisions and deepen the Directors' understanding of company situations and dynamics.

The meetings of the Board Committees are usually attended by the managers most directly concerned with the functions covered by the Committees. Specifically, the CFO, the Head of Internal Audit and the Head of Compliance for the Risks & Sustainability Committee and the Head of Human Resources & Group Organisation for the Remuneration & Appointments Committee.

### ***Induction program***

In relation to the need to achieve adequate information flows among internal managers and the Board of Directors, specific induction sessions reserved for Directors and Statutory Auditors have been planned and implemented to provide participants with an adequate knowledge of the business sector in which the Company operates, of company dynamics, and of the evolution of the relevant regulatory framework.

In particular, during the year, two induction sessions were held, coordinated by the CEO and held by Group managers and external consultants on the following topics:

- session dedicated to illustrating the management and organisational impacts of the implementation of the CSRD (Corporate Sustainability Reporting Directive);
- a session dedicated to the illustration of the Group's organisational structure based, in particular, on the presentation of the roles and organisational charts referring to the various Group Head Offices and Business Directorates;
- session dedicated to illustrating the Group's different business areas, with a special focus on the Books area.

## **4.5 ROLE OF THE CHAIR OF THE BOARD OF DIRECTORS**

In accordance with the Articles of Association, the Chair of the Board of Directors, who does not hold individual management powers, legally represents the Company before third parties and in court. The Chair works alongside the Chief Executive Officer on the development of corporate business strategies to be submitted to the Board of Directors for approval.

Through the procedures indicated below, the Chair provides a link between the executive and the non-executive directors and ensures the effective operation of the Board.

Specifically, with the assistance of the Secretary to the Board, the Chair ensures:

- a) that pre-meeting information and supplementary information provided during meetings is adequate to allow the directors to perform their role in an informed manner;
- b) that the activities of the board committees with preparatory, recommendatory and advisory functions are coordinated with the activities of the board of directors;
- c) in agreement with the Chief Executive Officer, depending on the subject under discussion, that the heads of functions of the Company and the Group companies attend the board

- meetings, also at the request of individual directors, to provide details about the items on the agenda;
- d) that all the members of the governance and control bodies are able to take part, after their appointment and during their term of office, in initiatives set up to provide them with an adequate understanding of the company's line of business and company dynamics and their evolution with regard to the company's sustainable success, and of the principles of correct risk management and of relevant laws and regulations;
  - e) the fitness for purpose and transparency of any board self-assessment process, with the support of the Remuneration & Appointments committee;
  - f) the appointment and termination of the secretary to the Board of Directors and the definition of the secretary's powers and professionalism requirements.

#### **SECRETARY TO THE BOARD OF DIRECTORS**

The Board of Directors is responsible for the appointment and termination of the Secretary, on the proposal of the Chair, and for establishing the professionalism requirements and powers of the Secretary, specifying that such requirements and powers are set out in the Board regulation.

Specifically, the Secretary to the Board is a Company employee or an external party with at least three years professional experience with the Corporate Affairs function of listed Issuers or who has acquired, in a different capacity, an appropriate professional experience with regard to the laws governing listed companies and regulated markets.

On 24 April 2024, on the proposal of the Chair and after ascertainment of professionalism requirements, the Board of Directors appointed a Secretary to the Board, to hold office until the mandate of the current Board expires, unless otherwise decided. The Secretary assists the Chair with activities relating to the calling and proceedings of meetings of the Board of Directors, as well as with the activities indicated above.

The Secretary, with impartiality of judgement, provides the Directors with assistance and juridical advice to ensure the regular exercise of their functions. In the event of the absence of the Secretary, on the proposal of the Chair the Board of Directors names a replacement for the specific meeting.

#### **4.6 EXECUTIVE DIRECTORS**

##### **Chief Executive Officer and General Manager**

During the year, following the renewal of the Board of Directors, which expired with the approval of the financial statements as of 31 December 2023, the Board of Directors confirmed Mr Porro as Chief Executive Officer and, also for the purpose of greater distinction of the strategic versus managerial and operational areas of responsibility, also assigned Mr Porro the position of General Manager, to be exercised reporting directly to the Board of Directors from a managerial, organisational and hierarchical standpoint, and through the coordination of the Group Central and General Business Directorates. Specifically:

- The **Chief Executive Officer** is granted organisational and strategic powers to be exercised in accordance with the guidelines defined by the Board of Directors and through the coordination of strategic corporate departments. In particular, the powers granted pertain to:

- the definition and implementation of organisational, administrative and accounting structures appropriate to the nature and size of the Company and the Group, to be submitted to the Board of Directors for evaluation;
- the coordination of strategic policy-making activities, through, in particular, the formulation and drafting of the medium- and long-term industrial and financial plans of the Company and the Group, with related strategic assumptions and objectives, to be submitted to the Board of Directors for approval;
- activities relating to the establishment and maintenance of the internal control and risk management system, also in accordance with the relevant recommendations of the Corporate Governance Code. In this regard, the Chief Executive Officer is identified as the person responsible for establishing and maintaining the internal control and risk management system.

The Chief Executive Officer reports periodically to the Board of Directors and the Board of Statutory Auditors at their meetings, and in any case at least on a quarterly basis, as required under art. 2381 Civ. Code and with regard to the main activities performed in the exercise of his/her powers and, in particular, on any atypical or unusual transactions or transactions with related parties, approval of which is not reserved to the Board of Directors.

- The **General Manager** is responsible for overseeing the Company's operational management in line with the strategic objectives defined by the Board of Directors, through the conferral of management powers, with the exclusion of the acts and operations reserved to the exclusive and non-delegable competence of the Board of Directors as indicated and listed in paragraph 4.1 "Board of Directors Role" above.

No interlocking directorate situation exists.

#### **EXECUTIVE COMMITTEE (EX ART. 123-BIS.2.D), TUF)**

No "Executive Committee" has been formed.

#### **OTHER EXECUTIVE DIRECTORS**

There are no executive directors other than those indicated in section 4.3 above.

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

#### **INDEPENDENT DIRECTORS**

With reference to the current Board, the assessments of compliance with the independence requirements have also referred to the information provided by each director at the first Board meeting following their appointment, and during the year under review. The outcome of the evaluations carried out in connection with the appointment of the Board of Directors was announced in a press release to the market.

As a result of the checks, the Board of Directors ascertained that the independence requirements were met and maintained by the following Directors:

**Elena Biffi**

**Marina Rubini**

**Paola Galbiati**

**Pietro Bracco**

**Riccardo Perotta**

In conducting its checks, the Board referred to all the independence requirements indicated by the Code and to the “Policy on criteria for assessment of the independence requirements for directors” adopted by the Board, which governs the significance criteria on commercial, financial or professional relations or additional remuneration, which might compromise the independence requirement. A detailed description of this policy can be found in section 4.2 above.

The independence of the directors is assessed at least once a year by the Board of Directors, and the Board of Statutory Auditors verifies the correct application of the criteria adopted by the Board to ascertain the independence of the directors during the year.

The number and competences of the Independent Directors are adequate for the size of the Board and the activities of the Company, and permit the formation of Board Committees, described in the following sections.

During the financial year under review, the independent directors met in the absence of the other directors. In particular, a meeting was held, coordinated by the Lead Independent Director, on, inter alia:

- examination of the draft corporate governance report;
- overview of the state of application in AME of the recommendations of the Chair of the Corporate Governance Committee for 2024;
- details on governance-related issues.

#### **LEAD INDEPENDENT DIRECTOR**

On 24 April 2024 the Board of Directors named Independent Director Paola Galbiati as Lead Independent Director to hold office until the expiry of the mandate of the Board.

The Lead Independent Director:

- where necessary, uses the corporate structures for the discharge of the duties assigned and collaborates with the Secretary to the Board of Directors;
  - calls, independently or at the request of other Directors, meetings to be attended only by Independent Directors on issues regarding the operation of the Board of Directors or the corporate governance system;
- is the liaison and coordinator for petitions and contributions from Non-Executive Directors and, in particular, from Independent Directors, within the Board of Directors.

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

### **(i) MANAGEMENT AND DISCLOSURE OF SIGNIFICANT AND INSIDER INFORMATION**

The Board of Directors has adopted a specific procedure on Material Privileged Information, which was last updated during the 2019 financial year.

The Procedure, which also complies with the indications of the Guidelines on Management of Insider Information published by Consob in October 2017, assigns responsibility for managing and applying the Procedure to the Central Manager Group Administration, Finance & Control, who is assisted, as

applicable, by the Legal & Corporate Affairs Division, the M&A Function, the Investor Relations Function and the Communication & Media Relations Division, as well as by other functions in relation to the contents and type of information.

The Procedure is designed to:

- regulate the ways in which corporate documents and information concerning Arnoldo Mondadori Editore S.p.A. are monitored, managed and circulated within the Company, based on confidentiality criteria, especially with regard to significant and insider information;
- regulate the ways in which insider information is disclosed to the market and the public, in accordance with applicable laws and regulations;
- regulate the creation and maintenance of the registers of persons with access to significant and insider information.

The Procedure is published on the website [www.gruppomondadori.it](http://www.gruppomondadori.it) – Governance section.

### **(iii) INTERNAL DEALING**

The procedures for the management and disclosure of documents and information concerning the Company include the most recent procedure adopted by the Board of Directors on 12 May 2022 pursuant to national and community internal dealing laws ("Internal Dealing Laws"), contained, *inter alia*, in art. 114.7 of the TUF, in articles from 152-*sexies* to 152-*octies* of the Consob Issuers Regulation, in EU Regulation no. 596 of 16 April 2014 on market abuse and subsequent amendments ("**MAR**") and in the related enacting regulations, and also in the indications provided by the ESMA in the form of Orientations, Q&A, Technical Advice to the European Commission, Technical Standards, Final Report, Discussion Paper, Consultation Paper and Feedback Statement ("**Q&A ESMA**").

The purpose of the procedure is to:

- a) identify the parties required to make the disclosures envisaged by the Internal Dealing Laws;
- b) inform said parties: (i) that they have been identified, (ii) about the obligations arising from their identification, and (iii) about the procedures they are required to follow to make the disclosures envisaged by law, in order to provide the public and the authorities with precise and correct information transparency in respect of the transactions performed by them on financial instruments issued by the Company, or derivatives and other related financial instruments issued by the Company;
- c) govern the procedures for compliance with the above disclosure obligations;
- d) identify the party responsible for receiving, managing and releasing the above disclosures to the market.

Specifically, the procedure governs disclosure obligations to Consob, the Company and the market for all transactions – with an overall value of 20,000 Euro and, once the 20,000 Euro threshold has been reached, all transactions subsequently performed in the same calendar year irrespective of value – on shares or debt instruments issued by the Company, on derivatives or other related financial instruments by members of the Board of Directors and the Board of Statutory Auditors of Mondadori, as well as by parties who perform management functions in Mondadori and executives who, while not members of the above bodies, have regular access to inside information relating directly or indirectly to Mondadori and hold the power to take management decisions that might affect the future development and prospects of Mondadori, and by persons closely associated with them.



These disclosures may be made, on behalf of the parties indicated above, by the Company, if so empowered to do so.

### **(iii) BLACK-OUT PERIODS**

Under the Internal Dealing procedure, the parties subject to requirements are prohibited from carrying out, on their own account or on the account of third parties, directly or indirectly, significant transactions during the 30 calendar days that precede the release of statements on the approval of the separate financial statements and the consolidated financial statements, the approval of the half-year financial report, the approval of the quarterly additional financial information.

The Mondadori Board of Directors or, in cases of proven urgency, the Chair of the Board of Directors may authorise a party subject to requirements to conduct negotiations during a black-out period, on the basis of specific circumstances and conditions required by the procedure.

## **6. BOARD COMMITTEES (EX ART. 123-BIS.2.D), TUF)**

### **INTRODUCTION**

Within the Board of Directors, the following Committees have been formed:

- the Remuneration & Appointments Committee;
- the Control, Risks & Sustainability Committee;
- the Related Parties Committee, in compliance with the Consob Regulation that governs transactions with related parties.

With regard to the Remuneration & Appointments Committee, since 2012, in view of the Company's organisational requirements, the Board of Directors has grouped appointment and remuneration powers under a single Committee.

There are no committees with fewer than three members, and the work of each committee is coordinated by a Chair.

The duties and functions of each Committee are established under a resolution of the Board of Directors and enacted in each Committee's Regulation, also approved by the Board. Minutes of the committee meetings are kept by the secretary. In pursuing its activities, the committee has access to all the corporate units and functions necessary to carry out its duties.

The Board of Directors approved specific budgets for each Committee to perform the functions assigned to them.

### **ADDITIONAL COMMITTEES (OTHER THAN THOSE REQUIRED BY LAW OR RECOMMENDED BY THE CODE)**

No other committees have been established.

## **7. SELF-ASSESSMENT AND SUCCESSION OF DIRECTORS – REMUNERATION & APPOINTMENTS COMMITTEE**

### **7.1 SELF-ASSESSMENT AND SUCCESSION OF DIRECTORS**

As a general rule, and in relation to the Issuer's qualification as a company with concentrated ownership, the Board of Directors conducts a self-assessment and assessment of its committees at

least every three years prior to the renewal of the Board and with the advisory and preparatory support of the Remuneration & Appointments Committee.

Consistently with the above, the Board of Directors ceased with the approval of the financial statements as at 31 December 2023 implemented, in view of the aforementioned expiry, a self-assessment on the size, composition and operation of the Board and its Committees, examining the role played by the Board in drawing up strategy and monitoring operating performance and the fitness of purpose of the internal control and risk management system. For this, Mondadori engaged the support of a specialised independent external consultancy, Governance Advisory.

The self-assessment was a three-stage process (investigation, processing of data and organisation of the results of the process) held in February 2024. It involved the preparation, in agreement with the Appointments and Remuneration Committee, of a detailed questionnaire for the members of the Board of Directors, followed by individual confidential interviews conducted by the independent consultant.

The Directors expressed full satisfaction with and appreciation of the size, composition and operation of the Board and the Board Committees, noting the evolution of the Board during its term of office, when effective working procedures were developed, based on a constructive relationship between the Chair and the Chief Executive Officer, which facilitated dialogue with management. The Directors appreciated the organisation of the collegial proceedings, the open and constructive debate and the support of management. They also stressed that the valuable role and leadership of the Chair in guiding the collegial proceedings and the guidance of the management team by the Chief Executive Officer enabled strategic and management objectives to be achieved and exceeded. They also appreciated the growing participation of the Directors, especially the Independent Directors, and their contribution to the examination of the items on the agenda, by drawing on their specific competences and experiences.

The collaboration between the Board and the Board of Statutory Auditors was also viewed very positively, notably their mutual respect and professional interaction, as well as the high quality of the information presented to the Board and to the Committees and of the minutes of the meetings. Equally useful was the approach to the induction and training to support the work of the Board, especially during on-boarding.

The final section of the self-assessment concerned the quali-quantitative composition of the Board of Directors, in order to provide the shareholders with the outgoing Board of Directors' indications prior to the renewal, in accordance with the Corporate Governance Code. These indications are the subject of a summary document *ad hoc*, called "Guidelines on the qualitative and quantitative composition deemed optimal for the Board of Directors of Arnoldo Mondadori Editore S.p.A." already mentioned above and drafted by the Remuneration & Appointments Committee on 7 March 2024, approved by the Board of Directors on 14 March 2024 and made available to the shareholders as required for the presentation of the lists for the election of the new Board of Directors.

The overall findings of the self-assessment were illustrated to the Remuneration & Appointments Committee and to the Board of Directors.

## **7.2 REMUNERATION & APPOINTMENTS COMMITTEE**

In view of the Company's organisational requirements, the Board of Directors has grouped appointment and remuneration powers under a single Committee (the Remuneration & Appointments

Committee).

### **COMPOSITION AND OPERATION OF THE REMUNERATION & APPOINTMENTS COMMITTEE (EX ART. 123-BIS.2.D), TUF)**

With regard to the period covered by this report, the composition of the Remuneration and Appointments Committee was as follows:

- a) Remuneration and Appointments Committee appointed by the Board of Directors on 27 April 2021 consisting of three non-executive directors, the majority of whom are independent, with a term of office set for three financial years and, precisely, until the shareholders' meeting to approve the financial statements as at 31 December 2023:

<b>Angelo Renoldi</b>	Chair - Non-Executive and Independent Director
<b>Elena Biffi</b>	Non-Executive and Independent Director
<b>Cristina Rossello</b>	Non-Executive Director

- b) Remuneration and Appointments Committee appointed by the Board of Directors on 24 April 2024 consisting of three non-executive directors, the majority of whom are independent, with a term of office set for three financial years and, precisely, until the shareholders' meeting to approve the financial statements as at 31 December 2026:

<b>Elena Biffi</b>	Chair - Non-Executive and Independent Director
<b>Paola Galbiati</b>	Non-Executive and Independent Director
<b>Cristina Rossello</b>	Non-Executive Director

The current members of the Remuneration and Appointments Committee have well-established professional expertise in the relevant sector and adequate knowledge and experience in financial and remuneration policy matters.

The Committee held 5 meetings in 2024, each duly minuted. Each meeting was also attended by the Chair of the Board of Statutory Auditors, at the request of the Committee itself, and the average duration was of one hour and 30 minutes. At the date of approval of this Report, the Committee has held one meeting.

Table 3 attached to this Report shows the attendance rate of each director.

The meetings in 2024 covered:

- examination of the Remuneration and Compensation Report to be submitted to the Board of Directors for approval;
- verification of Vesting Conditions related to the 2021-2023 Performance Share Plan;
- assessment of the proposal to the Board of Directors regarding the establishment of the *Performance Share Plan 2024-2026* and the MBO Plan 2024;
- analysis of the results of the shareholders' meeting vote referring to the Remuneration and Compensation Report sections;
- Update on the application of the Remuneration Policy in the Year.

In 2025, the activities of the Committee will follow an annual program.

## **FUNCTIONS OF THE REMUNERATION & APPOINTMENTS COMMITTEE**

The Board of Directors has tasked the Remuneration & Appointments Committee with the following functions and duties:

- a. to assist the Board of Directors, in an advisory capacity, in the formulation of the remuneration policy for the Directors and Key Management Personnel as per art. 123-ter TUF;
- b. to present proposals or express opinions on the remuneration of the executive directors, the other directors with special responsibilities and the directors who are members of board committees, and on the setting of performance targets linked to variable remuneration. In particular, during the year, the Committee advised the Board of Directors on the criteria, categories of beneficiaries, quantities, terms, conditions and modalities of the existing share-based remuneration plans, as well as supported the Board of Directors on the executive activities related to the aforesaid plans;
- c. to monitor the actual application of the remuneration policy and, specifically, to verify that performance targets are met;
- d. to perform a regular assessment of the overall adequacy and consistency of the remuneration policy for Directors and Key Management Personnel;
- e. to assist the Board of Directors in the self-assessment of the Board of Directors and its Committees and in the formulation of guidelines for the qualitative and quantitative composition of the Board of Directors deemed to be optimal, taking into consideration the outcome of the self-assessment;
- f. subject to legal requirements, to identify and propose candidates for the post of Director in the event of co-optation;
- g. to support the Board of Directors with regard to the eventual presentation of a list by the outgoing Board of Directors, through use of procedures that ensure its composition and transparent presentation;
- h. to propose to the Board of Directors the possible adoption of a succession plan for the chief executive officer and the other executive directors.

The Committee may access the necessary information and corporate functions for the performance of its duties.

With regard to operating procedures, in compliance with the relevant recommendation of the Corporate Governance Code, the Board of Directors approved the adoption of the Committee regulation as proposed by the Chair. The regulation was subsequently adopted by the Committee itself.

The Committee's meetings, coordinated by the Chairman, are duly minuted.

## **8. REMUNERATION OF DIRECTORS – REMUNERATION COMMITTEE**

### **8.1 REMUNERATION OF DIRECTORS**

## REMUNERATION POLICY

### REMUNERATION POLICY GUIDELINES

In general terms and in accordance with the governance model adopted by the Company and market best practice, the Remuneration Policy is drawn up with a view to attracting, motivating and retaining people with the professional skills needed for the Group's growth and to ensuring the attainment of strategic Company objectives for the creation of sustainable value in the medium/long-term, to the benefit of the shareholders and key stakeholders.

As such, the priority is to maintain a close link between remuneration and performance, in both the short and the long term, as the key factor in ensuring that the interests of management are aligned with those of the shareholders, for the continuous improvement of both individual and company performance.

Accordingly, the Company's Remuneration Policy envisages a fixed remuneration system of differentiated variable short-term and variable medium/long-term components, consistent with the following criteria:

- an appropriate balance between the fixed component and the variable component in connection with the Company economic and social sustainability objectives, taking into account the sector of activity and the work carried out;
- equality, non-discrimination and internal consistency as guiding principles in determining remuneration levels;
- the formulation of contractual clauses governing the return to the Company (or the withholding of deferred amounts), in whole or in part, of variable remuneration components that have been disbursed, when determined on the basis of data that subsequently prove to be manifestly incorrect;
- clarity, pre-determination and measurability of performance objectives related to the computation of the variable components;
- attention on defining objectives consistent with a sustainable development Plan that also promotes attainment of non-financial objectives and, specifically, gender equality; of particular importance on this point is the introduction of non-financial parameters linked to ESG issues with regard to the objectives underlying the Performance Share Plans, as described in detail in the report on remuneration policy and fees paid referred to at the end of this section.
- definition of pre-determined limits on the variable remuneration components;
- a significant portion of variable remuneration linked to long-term objectives and Total Shareholder Return, disbursed as shares subject to multi-year retention periods.

The details include:

- principles and procedures for implementation of the Remuneration Policy;
- remuneration of executive directors and key management personnel;
- share-based remuneration plans.

The reader is referred to the report on remuneration policy and fees paid available on the website [www.gruppomondadori.it](http://www.gruppomondadori.it) and on the 1Info authorised storage mechanism [www.1info.it](http://www.1info.it).

## **COMPENSATION FOR DIRECTORS IN THE EVENT OF RESIGNATION, DISMISSAL OR SEVERANCE FOLLOWING A PUBLIC TENDER OFFER (EX ART. 123-BIS.1.I), TUF)**

No compensation is envisaged in the event of resignation, dismissal or severance following a public tender offer, nor do preventive agreements exist between the Company and the directors envisaging compensation in the event of resignation or dismissal without just cause.

## **8.2 REMUNERATION COMMITTEE**

See section 7.2.

## **9. INTERNAL CONTROL AND RISK MANAGEMENT SYSTEM – CONTROL & RISKS COMMITTEE**

### **MAIN CHARACTERISTICS OF THE INTERNAL CONTROL AND RISK MANAGEMENT SYSTEM**

#### **INTRODUCTION**

The internal control and risk management system is a set of rules, procedures and organisational structures established to enable the identification, measurement, management and monitoring of the main risks.

The system forms an integral part of the overall organisational structure and corporate governance system adopted by the issuer, and takes into account the frameworks of reference and best practices at both national and international levels.

Among the major themes addressed by the system, special focus is placed on risk management, as the guiding principle of the internal control system. In this context, the Board of Directors takes on a fundamental role, as evidenced also by its specific function to “*determine a risk appetite that is consistent with the issuer’s strategic objectives, including within its own assessments the risks that can become significant in terms of medium- and medium/long-term sustainability*”. Consistently with the specific risk profile, the Board of Directors is also responsible for defining “*the guidelines of the internal control and risk management system, so that the main risks pertinent to the issuer and its subsidiaries are correctly identified, and appropriately measured, managed and monitored, and also determining the degree to which the risks are compatible with a corporate management aligned with the identified strategic objectives*”. The Board of Directors is also responsible for assessing “*on at least an annual basis, the fitness for purpose of the internal control and risk management system with respect to the characteristics of the company and its assumed risk profile, as well as the system’s effectiveness*”. In performing these functions, the Board of Directors is assisted by preparatory activities conducted by the Control, Risks & Sustainability Committee.

In 2008, when the first guidelines for the internal control and risk management system were drafted, Mondadori implemented a Risk Management process by adopting a model for the identification, assessment and management of the risks it is exposed to in its area of operations. The model is updated and reviewed every year before the Risk Assessment, particularly with regard to the business and financial parameters used for risk assessment and the subsequent formulation of mitigation strategies aligned with the level of risk deemed compatible by the organisation.

## **GUIDELINES FOR THE INTERNAL CONTROL AND RISK MANAGEMENT SYSTEM**

### **a) Reference model**

In accordance with the Code's explicit recommendation to take "*into adequate consideration the reference models and best practices existing at national and international level*", the reference method is based on the principles set out in the "CoSO Framework" (Committee of Sponsoring Organisations of the Treadway Commission), one of the most authoritative standards adopted at international level, especially as regards risk identification and management, and on the principles defined under "*CoSO - Enterprise Risk Management* (CoSO ERM, 2017)".

The CoSO ERM ensures that:

- management has implemented an appropriate objective-setting process, and that the objectives established are aligned with and support the company's mission;
- objectives are in line with acceptable risk levels (Risk Appetite).

Based on the methodology adopted, Mondadori defines and shares the Group's mission/vision and strategic objectives with management on an annual basis.

These strategic objectives are then implemented in the individual business divisions and central directorate by setting specific targets and identifying possible risks and any opportunities.

The internal control and risk management system was developed by identifying and managing three areas of analysis:

1. Objectives
2. Members
3. Area

#### **1. Objectives**

The management of the internal control and risk management system offers reasonable assurances with regard to monitoring the risks involved in the achievement of the corporate strategic objectives and related operating objectives, in other words:

- effective and efficient business operations, including the safeguarding of company assets (operating objectives);
- reliability of financial and non-financial information (reporting objectives);
- compliance with laws and regulations (compliance objectives).
- In this context, the following elements are defined and monitored:
- identification of risks that threaten the achievement of objectives;
- identification and assessment of risks that may become significant in terms of the issuer's medium/long-term sustainability;
- assessment of such risks in terms of impact/likelihood;
- monitoring of current risks;
- assessment of risk monitoring effectiveness in relation to identified risks.

In addition, the process for management of the internal control and risk management system put in place to fulfil the three categories of objectives listed above must have the following characteristics:

- it must respond promptly to significant risk situations, while making sure that the proper control activities are in place;

- in the context of business processes, it must ensure an adequate degree of separation between operational functions and control functions, so that conflicts of interest are avoided in the tasks assigned;
- in the context of operational, administrative and accounting activities, it must guarantee use of systems and procedures that ensure the accurate recording of company and business facts and events, as well as reliable and timely information flows within and outside the Group;
- it must provide for timely communication to the appropriate Group levels of significant risks and control irregularities, enabling corrective measures to be identified and promptly executed.

## **2. Members**

The internal control and risk management system takes into account all the components and interrelations to ensure an appropriate overview of the company's situation.

Management of the system components is defined through a risk management process designed to ensure the dynamic nature of the control system.

This process covers the following key issues:

- formulation of governance; roles and responsibilities
- definition of strategic and operating objectives;
- identification of events that might pose a risk to achievement of objectives;
- definition of the level and forms of communication;
- constant monitoring of the process.

## **3. Area**

The definition of the internal control and risk management system concerns the entire Group and considers all its different business areas in an integrated manner.

### **b) Periodic communication**

To meet system management information needs, all the update and reporting document flows are implemented among the individuals and bodies involved in the management of the internal control and risk management system: Board of Directors, Control, Risks & Sustainability Committee, Director in charge of the Internal Control and Risk Management System, Internal Audit.

## **INTERNAL CONTROL SYSTEM IN RELATION TO FINANCIAL REPORTING AND SUSTAINABILITY PROCESSES**

The Internal Control over Financial Reporting, hereinafter "ICFR" and on Sustainability Reporting, hereinafter "ICSR", are integral parts of the Internal Control and Risk Management System that Mondadori has adopted, based on its organisational, operational and corporate governance configuration, as well as the specific regulatory framework of the sectors in which it operates.

### **1. Internal Control over Financial Reporting**

Mondadori has adopted a risk management and internal control system relating to the half-year (consolidated) and annual (separate and consolidated) reports, in accordance with the principles outlined in the CoSO Internal Control - Integrated Framework (2013). In order to ensure the attestation of the Executive in charge, a mapping of the relevant companies and processes has been carried out, using quantitative and qualitative criteria. For each process, risks and control objectives related to the preparation of the financial statements and the functioning of the internal control system were identified.



Within the framework of the aforementioned control system, Mondadori has defined clear roles and responsibilities between the various corporate functions and the related information flows. These are formalised within the Regulation of the Executive in Charge, as described below.

On a six-monthly basis, a periodic review of the adequacy of the controls performed by Group companies is scheduled, with the definition of action plans to address any critical issues that emerge during the assessment.

In addition, the Administrative Executives of the subsidiaries issue a statement every six months on the reliability and accuracy of the data provided for the preparation of the consolidated financial statements.

Verification activities are coordinated by the Executive in charge and conducted with the support of the Internal Audit Department. The results are shared with the Executive in Charge before the meeting of the Board of Directors that approves the consolidated figures as at 30 June and the draft annual and consolidated financial statements as at 31 December.

## **2. Internal Control System on Sustainability Reporting**

In line with the Supplementary Guidelines ("*Achieving Effective Internal Control over Sustainability Reporting (ICSR): Building Trust and Confidence through the COSO Internal Control - Integrated Framework*") published by CoSO on 30 March 2023, which provides guidelines for effective internal control over sustainability reporting and in compliance with the principles set out in the ESRS 2 - GOV5 guidelines supporting the Corporate Sustainability Reporting Directive (CSRD), Mondadori has launched a process aimed at implementing an Internal Control on Sustainability Reporting ("ICSR"), harmonising it with the framework already adopted by the Group for the Internal Control on Financial Reporting. Specifically, Mondadori undertook the following activities, coordinated by the Investor Relations & ESG Reporting department:

- Development of a procedure, approved by the Board of Directors with the preparatory support of the Control, Risk and Sustainability Committee, governing the stages of drafting, approval, publication and filing of the Sustainability Report.  
The procedure governs the process of sustainability reporting in terms of, inter alia, (i) analysis and calculation of double materiality, the outcomes of which are submitted to the Audit, Risk and Sustainability Committee and the Board of Directors for review and approval, (ii) scoping, (iii) "closing" schedule, (iv) data collection and approval process, (v) approval, publication and filing process, and (vi) roles, responsibilities and information flows relating to corporate bodies and control functions involved in the operational and control activities related to the formation of sustainability reporting.
- Implementation of a risk and control matrix, aimed at ensuring the integrity of Sustainability Reporting and the effective functioning of the internal control system.
- Definition of a methodology for the prioritisation of Disclosure Requirements (DR), based on quantitative and qualitative criteria, in order to identify the perimeter of DR relevant to the Internal Control System.
- Implementation, according to a step-by-step approach, of risk and control matrices for the DRs identified as relevant to the Internal Control System, following the scoping exercise described above.

The periodic verification of the adequacy of controls on Sustainability Reporting, already started during the Year, provides for an operational monitoring entrusted to the corporate departments and functions of the Group companies included in the reporting scope responsible for ensuring the correct functioning,

updating and application of the operating procedures relating to the formation and processing of data and associated controls.

In addition, an independent audit is carried out by the Internal Audit department with the task of monitoring the proper implementation of control procedures, assessing the effectiveness of reporting processes and identifying any areas for improvement or non-compliance.

The results of the Internal Audit function's activities are shared with the Investor Relations & ESG Reporting function, the Executive in Charge and the Control, Risk and Sustainability Committee prior to the Board of Directors' meeting approving the Sustainability Report.

## **DETERMINATION OF THE LEVEL OF COMPATIBILITY OF RISKS WITH ACHIEVEMENT OF STRATEGIC OBJECTIVES**

Based on the methodology adopted, as explained above, Mondadori provides for the annual definition and sharing with management of the Group's mission/vision and strategic objectives.

The level of Risk Appetite in relation to achievement of the identified strategic objectives is determined and updated on an annual basis, as part of the Risk Management process. The process determined risk thresholds that enabled three risk levels to be identified (High, Medium, Low) so as to analyse the level of compatibility between expected risk value and attainment of objectives.

The composition, operation and activities of the parties involved in the internal control and risk management is described below.

### **9.1 RISK MANAGEMENT**

The Risk Management function, part of the Legal and Corporate Affairs Division, monitors the risk management process, supervising activities and coordinating those involved.

Identified risks are classified within an internal framework, and subsequently assessed on both an inherent level – that is, the degree of risk that would exist if no mitigating factors were put in place by management – and a residual level – that is, the risk that would remain after taking mitigating controls into account.

The valuation is based on two parameters: the likelihood of an event's occurrence and its potential impact, the latter being measured in terms of economic and financial repercussions, market share, operations and the Group's reputation.

Each risk element is linked to the strategic objectives at Group level, identified by the CEO and set out in the three-year plan approved by the Board of Directors and, at the level of individual Directorates, as defined by first-line management.

Inherent and residual risks are identified and evaluated by the heads of the business units or functions within their specific areas, through a self-assessment, and reporting any mitigating action.

The Risk Management function analyses the information received, and then presents the risk outlook for each division to first-line management for validation.

The next step is risk consolidation: the various risk factors are grouped into similar categories and each one is assigned a weight commensurate with the significance of the Division for the Group.

The results of the Risk Management Process are set out in a specific report, coordinated by the Director in charge of the internal control and risk management system, which is sent to the Control,

Risks & Sustainability Committee and the Board of Statutory Auditors, and subsequently to the Board of Directors. The relevant bodies use the information to carry out further in-depth analyses.

Internal Audit subsequently verifies the actual existence and effectiveness of the mitigating controls reported by the various areas during the assessment phase.

The Risk Management Process is updated through an annual review of risk assessment, carried out as described above.

With reference to the activities carried out during the financial year 2024, in compliance with the provisions of the European CRSD (Corporate Sustainability Reporting Directive), which promotes the integration of sustainability within business models, risks associated with sustainability issues, which could positively or negatively affect the company's development and performance, have been identified.

The Risk Assessment activity aimed at achieving a tolerable level of risk therefore considered, in its overall framework, the impacts on the organisation and ESG values that are relevant to the organisation. The significance of the risks is determined on the basis of the parameters of probability of occurrence and impact, the evaluation of which has been traced to the following quali-quantitative drivers: economic, considering the potential economic losses that the risks could generate, reputational, in view of the potential effects on Brand reputation, Brand Equity and in general the expectations of stakeholders, and operational, assessing the impacts on operational processes with consequences on their efficiency and/or the achievement of the Group's business and sustainability objectives.

The classification constitutes a common language between business units in order to aggregate all risk factors at company level. A first macro-classification of risks involves the distinction between: (i) external risks, i.e., risks that are external to the organisation, and related to the external environment or the characteristics and evolutions of the sector in which the organisation operates; and (ii) internal risks, directly related to the Group's value chain, which are in turn classified as operational, strategic, financial and Legal&Compliance.

#### **Main steps in the process**

The activity starts with a Set-up phase; the main steps include the identification of the Corporate and BUs representatives to be involved in the process, the analysis of the main business risk profiles, as well as the updating of evaluation criteria and scales and the scheduling of interviews.

Subsequently, through the conduct of interviews, by means of a self-assessment process, the company management (the risk owner) identifies the risks attributable to its Business Unit (BU) and assesses their effects on the achievement of the company's strategic objectives.

The assessment is carried out by indicating the inherent risk, in terms of probability and impact, i.e. the magnitude of the risk in the absence of mitigation actions, and then assessing the residual risk, which measures the magnitude of the risk following actions to reduce the probability of occurrence of the risky event and/or to limit its possible harmful impacts.

This is followed by the preparation of Risk Reports for each individual BU with evidence of the Top Risks that have emerged and the overall risk assessment. Reports are sent to the respective CEOs of the individual BUs involved in the final risk assessment, with a focus on those that may damage the Group's business forecasts, processes and strategies, and a focus on relevant mitigation actions.

To conclude, there is the drafting of the Group Risk Report, representing the Mondadori Group's exposure to Risk, shared with the CEO, the ESRB and the Board of Directors.

The actual existence and effectiveness of the above-mentioned mitigation actions is then subject to verification by the Internal Audit department, which, using the risk mapping, prepares the audit planning.

The main risks and uncertainties for the Parent Company and subsidiaries are set out in a specific section of the Report on Operations for 2024.

## **9.2 CHIEF EXECUTIVE OFFICER**

The Board of Directors has identified the Managing Director, Antonio Stefano Porro, as the person in charge of setting up and maintaining the internal control and risk management system, through the following:

- (i) execution of the guidelines laid down by the Board of Directors and oversight of the development, implementation and supervision of the internal control and risk management system, while constantly verifying its fitness for purpose and effectiveness;
- (ii) identification of the main risks for the Company, taking into account the characteristics of the operations of Arnoldo Mondadori Editore S.p.A. and its subsidiaries, and presentation of said risks to the Board of Directors for review;
- (iii) requesting the Internal Audit function to carry out checks on specific operational areas, as well as on compliance with internal rules and procedures in the performance of business operations, and informing the Chair of the Board of Directors, the Chair of the Control, Risks & Sustainability Committee and the Chair of the Board of Statutory Auditors when such requests are made;
- (iv) prompt reporting to the Control, Risks & Sustainability Committee (or to the Board of Directors) on problems or critical situations that may have emerged in the performance of his duties or were brought to his attention, so that the Committee (or the Board) may take the necessary measures.

In the implementation of the guidelines established by the Board of Directors, the Director in charge of the internal control and risk management system organised and coordinated the Risk Assessment process as described in this report, specifically in the section entitled "Description of the Internal Control and Risk Management System".

## **9.3 CONTROL, RISKS & SUSTAINABILITY COMMITTEE**

### **COMPOSITION AND OPERATION OF THE CONTROL, RISKS & SUSTAINABILITY COMMITTEE (EX ART. 123-BIS.2.D), TUF)**

With regard to the period covered by this report, the composition of the Control Risk and Sustainability Committee was as follows:

- a) Control, Risk and Sustainability Committee appointed by the Board of Directors on 27 April 2021, consisting of three directors, non-executive and for the majority independent, with a term of office set for three financial years and, precisely, until the Shareholders' Meeting to approve the financial statements as at 31 December 2023:

<b>Angelo Renoldi</b>	Independent Director, Chairman
<b>Alceo Rapagna</b>	Independent Director

**Cristina Rossello** Non-Executive Director

- b) Control, Risk and Sustainability Committee appointed by the Board of Directors on 24 April 2024, consisting of three directors, non-executive and for the majority independent, with a term of office set for three financial years and, precisely, until the Shareholders' Meeting to approve the financial statements as at 31 December 2026:

**Paola Elisabetta Galbiati** Independent Director, Chairman

**Pietro Bracco** Independent Director

**Cristina Rossello** Non-Executive Director

The Control, Risks & Sustainability Committee performs advisory and recommendatory functions for the Board of Directors and, through appropriate preparatory work, supports the assessments and decisions of the Board of Directors with regard to the fitness for purpose of the internal control and risk management system, and the definition of the system guidelines as well as guidelines for the approval of the financial reports.

The Committee monitors the efficiency and effectiveness of corporate processes, the reliability of financial information, compliance with laws and regulations and protection of corporate assets, sustainability issues connected with the company's operations and relations with all stakeholders.

The Committee coordinates its activities, within its sphere of competence, with the activities of the Board of Statutory Auditors, the independent auditors, the Head of the Internal Audit Function and also with the Director in charge of the internal control and risk management system and the Manager in charge of preparation of the corporate accounting documents.

In 2024 the Control, Risks & Sustainability Committee held 10 meetings coordinated by the Committee Chair and duly minuted, with an average duration of 1.5 hours, with the participation from time to time of the members of the Board of Statutory Auditors and the Head of the Internal Audit Function; it also met with the Deloitte Risk Advisory consultancy firm, the Ernst & Young auditing firm for the 2019-2027 nine-year engagement, and the heads of some Company functions.

Table 3 attached to this Report shows the attendance rate of each director.

During 2024, the Control, Risks & Sustainability Committee:

- approved the 2024 annual Internal Audit activities program for the Company and its subsidiaries drawn up by the Head of the Internal Audit Function and verified its implementation. The 2024 audit plan for the parent company and its subsidiaries envisages action covering five audit areas:
  - i) Operational: analysis of corporate processes and assessment of their effectiveness (degree of attainment of objectives) and efficiency (costs, timing, resources used);
  - ii) Compliance: application of operational guidelines by the Parent Company and companies in the Group;
  - iii) Compliance 231: Application of Legislative Decree No. 231/2001 in support of the supervisory bodies of the Parent Company and the subsidiaries;
  - iv) Financial: application of Law 262/05 in support of the Executive in charge of preparation of the corporate accounts;
  - v) IT;
- analysed the work performed by Internal Audit in 2024, agreeing with the recommendations made and proposing recommendations of its own. It examined the structure and activities of

Internal Audit, also to provide support for the supervisory bodies of the Parent Company and the subsidiaries, risk management activities and the compliance activity of the operating processes. It acknowledged the operational provisions implemented by the Company during the year;

- examined the preliminary analysis illustrated by corporate management and approved the impairment testing procedure for the separate financial statements as at and for the year ended 31 December 2023 adopted by the Company, noting that the final measurements and valuations relating to the eventual impairment of tangible and intangible assets and equity investments would be the subject of specific examination and approval by the Board of Directors;
- examined risk reporting at 31 December 2023 and the annual report of the Financial Risks Committee without finding irregularities;
- examined the 2023 annual report and the 2024 first-semester report on the Committee's activities during the above-mentioned periods and found no anomalies;
- analysed the results of the Risk Assessment activity presented by the Head of Risk Management & Compliance and the Director in charge. The scope of activity included both the Parent Company and the Italian subsidiaries;
- took note of the Annual Report on the activities of the Internal Audit Function prepared by the Head of Internal Audit;
- analysed the findings of the independent auditors in the report on the key issues that emerged during the audit. No failings were observed in the internal control system in terms of financial disclosure, and there were no uncertainties worthy of note regarding business continuity;
- reviewed the activities related to the Corporate Sustainability Reporting Directive (CSRD) and the organisation of the internal control system and related procedure;
- took note of the information on the update of the Procedures Law 262;
- held meetings with company managers to discuss matters relating to their specific areas of business;
- analysed the Purchase Price Allocation process relating to the equity investment in A.L.I. Agenzia Libreria International, Webboh and Digital Advertising & Engagement;
- reviewed the report of the Supervisory and Control Board of the Company for the year 2023;
- took cognisance of the new organisational structure of the Internal Control System;
- took cognisance of the update to 2024/2025 Risk Management activities;
- analysed the updating work for the Quality Review of the Organisation, Management and Control Models under Legislative Decree No. 231/2001.

Four committee meetings are planned for 2025.

So far this year, the Control, Risks & Sustainability Committee has held four meetings,

Below are the details of the activities carried out:

1) on 30 January 2025, the Committee:

- (i) examined the draft of the Internal Audit Plan for the year 2025 for the Company and its subsidiaries, prepared by the Head of Internal Audit, and gave a favourable opinion after consulting the Board of Auditors;
- (ii) took cognisance of progress in activities relating to Enterprise Risk Management;
- (iii) met the Compliance Function.

- 2) On 11 February 2025, the Committee:
- (i) met with the Director of Human Resources, Organisation, Legal and Corporate Affairs and Real Estate for the extension of the responsibility for sustainability reporting to the Financial Reporting Officer;
  - (ii) carried out the preliminary examination of the Impairment test methodology for the financial statements as at 31 December 2024, meeting the Group CFO and the auditing firm EY, also for the purpose of certifying the homogeneous application of the Accounting Principles;
  - (iii) reviewed the methodology and findings of the purchase price allocation process of Star Shop Distribuzione S.r.l. and Chelsea Green Publishing Company US;
  - (iv) met the Ernst & Young auditing firm for an update on closing activities for the financial statements as at and for the year ended 31 December 2024;
  - (v) took note of the double materiality analysis activities related to the Sustainability Report;
  - (vi) reviewed the Sustainability Plan 2025/2027 guidelines and updated the Human Rights and Suppliers Policy;
  - (vii) took note of the Regulation of the Executive in Charge;
  - (viii) reviewed the contents of the Letter from the Chairman of the Corporate Governance Committee and its recommendations.
- 3) On 26 February 2025, the Committee:
- (i) examined the Indicators as per the Corporate Crisis Code;
  - (ii) took note of the updates related to the activities on Law 262/2005;
  - (iii) met with the Data Protection Officer (DPO);
  - (iv) met with the Group Finance and Circulation Director about the financial policy: Risk Reporting as at 31 December 2024;
  - (v) took note of the Annual Report on the activities of the Internal Audit Function 2024;
  - (vi) examined the draft report to the Board of Directors on the work conducted by the Control, Risks & Sustainability Committee for 2024 and the work of the Internal Audit Function in 2024;
- 4) On 10 March 2025, the Committee:
- (i) examined the impact of the application of the Impairment Test methodology referred to the assets recognised in the draft financial statements as at 31 December 2024, meeting the Group CFO and the auditing firm EY also for the purpose of certifying the homogeneous application of the Accounting Principles;
  - (ii) Acknowledged the report of the executive in charge of preparation and certification of the annual and consolidated financial statements, with results of the testing activities of Law 262/2005;
  - (iii) took note of the Sustainability Reporting 2024 pursuant to Legislative Decree 125/2024 and general elements of the related internal control system;
  - (iv) took note of the Sustainability Plan 2025/2027 and related strategic objectives;
  - (v) examined the findings of the 2024 Mondadori Group Risk Assessment;
  - (vi) reviewed the report of the Supervisory and Control Board of the Company for the year 2024;

The activities of the Committee were regularly reported to the Board of Directors.

### **Functions attributed to the control, risks & sustainability committee**

The Board of Directors has tasked the Control, Risks & Sustainability Committee with the following functions and duties:

- a) after consulting the Manager in charge of preparation of the corporate accounting documents, the independent auditors and the audit body, to assess that the accounting principles are used correctly and consistently in the preparation of the separate financial statements and the consolidated financial statements;
- b) to assess that the periodic financial and non-financial information correctly represents the business model, the company's strategies, the impact of its activities and its performance;
- c) to examine the content of the periodic non-financial information of significance for the internal control and risk management system;
- d) to express opinions on specific matters relating to identification of the main company risks and to support the assessments and decisions of the Board of Directors as regards management of risks arising from detrimental facts that have come to its knowledge;
- e) to examine the periodic reports and those of particular significance drawn up by the Internal Audit function;
- f) to monitor the independence, adequacy, effectiveness and efficiency of the Internal Audit function;
- g) to report to the Board of Directors, at least at the time of approval of the annual report and the half-year financial report, on the activities performed and the adequacy of the internal control and risk management system;

The Committee may assign checks on specific operational areas to the Internal Audit function, informing the Chair of the Board of Statutory Auditors.

The Committee also assists the Board in drawing up the guidelines for the internal control and risk management system and assessing the fitness for purpose of the system, and in the other activities assigned to the Board of Directors under the Corporate Governance Code with regard to internal control and risk management.

The Committee may access the necessary information and corporate functions for the performance of its duties.

With regard to operating procedures, in compliance with the relevant recommendation of the Corporate Governance Code, the Board of Directors approved the adoption of the Committee regulation as proposed by the Chair. The regulation was subsequently adopted by the Committee itself.

The Committee's meetings, coordinated by the Chairman, are duly minuted.

### **9.4 HEAD OF THE INTERNAL AUDIT FUNCTION**

After consultation with the Control and Risk Committee, the Board of Directors appointed the Head of Internal Audit.

The Board of Directors assigned the head of Internal Audit the following tasks:

- a) to verify the effectiveness and fitness for purpose of the internal control and risk management system – on an ongoing basis and in relation to specific requirements, in compliance with



- international standards – through an audit plan approved by the Board of Directors and based on a structured process of risk analysis and prioritisation;
- b) to prepare regular and sufficiently detailed reports on Internal Audit activities, the ways in which risk is managed and compliance with the risk-containment plans. These reports include an assessment of the fitness for purpose of the internal control and risk management system;
- c) also at the request of the Board of Statutory Auditors, to draw up timely reports on events of particular significance;
- d) to send the reports as per points b) and c) to the chairs of the Board of Statutory Auditors, the control and risks committee and the Board of Directors, and also to the chief executive officer, except in cases where the reports refer specifically to the activities of these parties;
- e) to use the audit plan to verify the reliability of the Company's information systems, including its accounting systems.

The Head of Internal Audit - reporting hierarchically to the Board of Directors - does not report to any Executive of the operational area, has direct access to all information relevant to the performance of his/her duties, and reports to the Board of Directors, the Director in charge of the internal control and risk management system, the Control, Risk and Sustainability Committee and the Board of Statutory Auditors.

The Head of the Internal Audit Function verifies the operations and fitness for purpose of the control and risk management system, through an audit plan approved by the Board of Directors, based on a structured process of analysis and prioritisation of the main risks, in other words a risk-based audit plan.

In addition to enabling an assessment of the maturity of and a check on the Control and Risk Management System, the proposed Audit Plan reflects the need to maintain a close connection with the areas of risk associated with the legislative and financial requirements to which the Group is subject. The audit plan also takes into consideration:

- (i) the intervention priorities to allow for appropriate allocation of resources;
- (ii) the flexibility required to respond to unexpected situations and *ad hoc* requests from the Control, Risks & Sustainability Committee;
- (iii) adequate audit coverage of all corporate processes.

In 2024, internal audits on the Parent Company and its subsidiaries involved five categories of audit:

- (i) Operational: analysis of processes and their assessment in terms of efficacy and efficiency.
- (ii) Compliance: application of operational guidelines by the Parent Company and companies in the Group.
- (iii) 231 Compliance: application of Lgs.Decree no. 231/2001 to support the supervisory bodies of the Parent Company and its subsidiaries.
- (iv) Financial: application of Law 262/2005 in support of the Manager in charge of preparation of the corporate accounts.
- (v) IT: in support of information systems.

## **9.5 SUPERVISORY BODY AND ORGANISATION MODEL ex LGS.DECREE 231/2001**

On 11 December 2003, the Board of Directors adopted an Organisation, Management and Control Model in compliance with Lgs.Decree no. 231/2001, which introduced the principle of corporate liability into the Italian legal system in connection with certain types of crimes committed by a

corporation's directors, managers or employees in the interest or to the advantage of the corporation itself.

The Model has undergone regular updates for alignment with new predicate offences gradually introduced into the legislation.

The current Organisation, Management and Control Model approved by the Board of Directors on 8 November 2023 is an updated and integrated version based on developments in legislation, with specific reference to the new Whistleblowing laws introduced by Lgs.Decree no. 24 of 2023. The Model, which also takes account of the guidelines drawn up by industry associations, is an additional enhancement to the Company and Group's internal control system. It is composed of:

- a general section including specific information on the key content of Lgs.Decree no. 231/2001 and subsequent additions, the objectives and operation of the Model, the responsibilities of the body charged with overseeing the application and operation of the Model, information flows, the system of penalties for breaches of the Model;
- a special section made up of a series of specific protocols on the types of crimes covered by Lgs.Decree no. 231/2001.

The Organisation, Management and Control Model is available on the website [www.gruppomondadori.it](http://www.gruppomondadori.it) - Governance section.

The Supervisory and Oversight Body on the Organisation Model ex Legislative Decree no. 231/2001, in office at the date of this Report, was appointed by the Board of Directors for the duration of its own term of office or as otherwise deliberated. Its members are:

<b>Sara Fornasiero</b>	Chair of the Board of Statutory Auditors;
<b>Elena Biffi</b>	Independent Director;
<b>Gianluca Guicciardi</b>	Head of Group Internal Audit.

Pursuant to Lgs.Decree no. 231/2001 and subsequent amendments and additions, the Board of Directors has assigned full powers of initiative, oversight and spending to the Supervisory & Oversight Body to guarantee precise and efficient surveillance of the operation and enforcement of the Model, and has authorised free access to all the corporate functions to enable the body to obtain the information and data it requires.

For example and without limitation, the following tasks and duties are assigned to the Supervisory & Oversight Body, to be executed, where necessary, with the cooperation of other corporate functions and external consultants and with full financial autonomy, based on specific budget items:

- to enforce compliance with the Model and report any default and the sectors at greatest risk in view of such default;
- to oversee the real effectiveness and ability of the Model to prevent the crimes as per Lgs.Decree no. 231/2001 and subsequent additions, with regard to individual corporate units and the activities performed;
- to oversee the advisability of updating the Model, in the event that it requires adjustment due to regulatory changes or developments within the Company;
- to promote information and training initiatives on the Model's principles, values and code of conduct.

The Supervisory & Oversight Body reports periodically to the Board of Directors, the Control, Risks & Sustainability Committee and the Board of Statutory Auditors on the work it has carried out, the functioning of the Model and specific situations.

## **9.6 INDEPENDENT AUDITORS**

On a reasoned proposal submitted by the Board of Statutory Auditors in accordance with art. 13.1, of Lgs.Decree no. 39/2010, on 17 April 2019 the Shareholders' Meeting approved the engagement of the independent auditing firm Ernst & Young for the nine financial years between 2019/2027 to conduct full-scope audits of the separate and consolidated financial statements, limited auditing of the consolidated financial statements half-yearly condensed financial statements and to perform additional services as per art. 14 of Lgs.Decree no. 39/2010; the engagement is also in line with Regulation (EU) no. 537/2014 of the European Parliament and the Council, 16 April 2014, on the specific requirements for the audit of the accounts of public-interest entities.

## **9.7 EXECUTIVE IN CHARGE OF FINANCIAL REPORTING AND SUSTAINABILITY REPORTING**

During the Year, with the favourable opinion of the Board of Statutory Auditors and given the existence of the professionalism requirements envisaged by the Articles of Association, the Board of Directors confirmed the Executive Director and Group Chief Financial Officer, Alessandro Edoardo Franzosi, as "Executive in charge of preparing the corporate accounts" pursuant to art. 24 of the Articles of Association and art. 154-*bis* of the TUF, until the expiry of the term of office of the Board unless otherwise deliberated.

The Board of Directors also invested the Executive in charge of preparing the corporate accounts with all necessary powers, including powers of an organisational nature, for the exercise of the tasks and functions assigned, including the power to have recourse to the competent corporate functions and, if necessary, Internal Audit for the necessary support in verifying application of the administrative and accounting procedures pursuant to art. 154-*bis*.3 of the TUF;

The Board provided the Manager in charge of preparing the corporate accounts with appropriate spending power, to be included in the budget annually approved by the Board of Directors or in extra budgets for specific requirements to be approved by the Board of Directors, connected with the functions assigned.

For matters concerning the professional qualifications of the Executive in charge of preparing the corporate accounts, and the appointment procedure employed by the Board of Directors, reference should be made to art. 24 of the Articles of Association, published on the Company website [www.gruppomondadori.it](http://www.gruppomondadori.it) – Governance section.

In the performance of their duties, the Manager in charge of preparing the corporate accounts implemented and coordinated a series of organisational and operational measures aimed at meeting legal requirements.

Specifically, the Executive identified a reference operating model based on the 2013 "Internal Control - Integrated Framework" drawn up by the Committee of Sponsoring Organisations of the Treadway Commission, which is the most widely used international standard for internal control systems.

The model's objective is to ensure reliability in financial reporting, by identifying a series of controls to be implemented during accounting and administrative procedures for the preparation of the separate financial statements, the consolidated financial statements, the half-year financial report and in general any financial disclosure.

The model also regulates the methods used to monitor the fitness for purpose of accounting and administrative procedures, as well as the checks in place to verify that these procedures are actually being implemented.

During the financial year, the Board of Directors, with the support of the Control, Risk and Sustainability Committee, has:

- (i) resolved to extend to the Executive in charge of preparing accounting and corporate documents the functions relating to the certification of Sustainability Reporting in accordance with the provisions of Article 154-bis, paragraph 5-ter, of Legislative Decree 58/1998. This extension of functions is motivated by considerations linked to the close connection identified by the legislation (in particular with regard to the financial materiality given by the impact of risks/opportunities in the field of sustainability on economic results and financial flows) between accounting data and sustainability data, and it follows that the professional requirements already identified in Mr Franzosi to hold the position of executive in charge can also be identified as functional for the certification of sustainability. Furthermore, coherence aspects were considered with respect to the organisational structure defined with regard to sustainability reporting, given that the corporate function in charge of sustainability reporting reports hierarchically and functionally to the executive in charge.
- (ii) defined the "Regulation of the Executive in Charge", which is an update to the previous text. The regulation governs the functions of the executive in charge with respect to a dual scope of activities, inherent to the processes functional to the issue of certifications on both the annual and half-year separate and consolidated financial statements and on sustainability reporting, activities governed respectively by Articles 154-bis, paragraph 5-ter, of Legislative Decree 58/1998.

The document therefore regulates, in particular, the activities, responsibilities and powers - also with regard to information flows to corporate bodies and corporate functions, control methods and processes for issuing internal sub-certifications - of the executive in charge with respect to the two aforementioned areas, which result in the issuance of attestations to the market on the following:

- with respect to the annual and half-yearly separate and consolidated financial statements, the adequacy and effective application of administrative accounting procedures, compliance with international accounting standards, and the suitability for the correct representation of economic, financial and balance sheet data;
- compliance of sustainability reporting with the reporting standards set out by the CSRD directive.

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

An effective internal control and risk management system must contribute to corporate management in line with the corporate objectives through assumption of informed decisions. The internal control

system must therefore not only consider the management of risk in its entirety, but must necessarily be integrated.

This presupposes that its components are coordinated and interdependent and that the system, overall, is in turn integrated into the general organisational, administrative and accounting structure of the Company.

To this end, the meetings of the Control, Risks & Sustainability Committee are attended by the Board of Statutory Auditors, Internal Audit, the Manager in charge of preparing the corporate accounts and the independent auditing firm. When the committee discusses matters concerning the management of the company, the relevant company managers also attend meetings.

Furthermore, the activities of the committee are regularly reported to the Board of Directors.

The Control, Risks & Sustainability Committee reports on its activities to the Board of Directors at least twice a year, and, with the support of the Head of Internal Audit, on the fitness for purpose of the Internal Control and Risk Management System.

The Supervisory Board regularly reports to the Board of Directors and the Board of Statutory Auditors on the results of its oversight of implementation of the 231 Model.

The Board of Statutory Auditors meets the Head of Internal Audit and the Head of the Legal and Corporate Affairs Division on a regular basis, as illustrated in greater detail in the previous sections.

## 10. DIRECTORS' INTERESTS AND RELATED-PARTY TRANSACTIONS

In accordance with art. 2391-*bis* Civ. Code and the general principles set out in the "Regulation on Related-Party Transactions" promulgated by Consob with Resolution no. 17221 of 12 March 2010, as amended ("**Consob Regulation**"), and in compliance with Consob Deliberation 21624 of 10 December 2020, on 20 May 2021, after receiving the favourable opinion of the Related Parties Committee, the Board of Directors approved the amendments to the "Procedure for Related-Party Transactions" (the "**Procedure**").

The Procedure replaces the previous version of 25 November 2010; it sets out the rules, roles, responsibilities and activities put in place to ensure transparency and the substantive and procedural correctness of related-party transactions executed by the Company directly or through subsidiaries.

Specifically, the current Procedure adopted by the Board of Directors:

- identifies and qualifies Related Parties, with reference to the definitions in Annex A of the Procedure;
- qualifies the criteria for identification of material transactions – to be approved by the Board of Directors subject to the binding favourable opinion of the Related Parties Committee – and immaterial transactions;
- requires that directors involved in the transaction abstain from voting on all transactions subject to the approval of the Board, whether "material" or "immaterial";
- identifies the bodies and entities involved in implementing the Procedure, regulating their respective roles and the information and document flows;
- identifies the types of transactions that are exempt from the application of the Procedure.

To reinforce the transparency and substantive and procedural fairness of related-party transactions, in compliance with the principles underlying the relevant laws, some provisions of the Procedure take a

more rigorous approach with respect to the options available to companies under art. 4.1.f) of the Consob Regulation.

Consequently, the Procedure envisages:

- a reduction – for specific types of transaction – of the quantitative thresholds indicated by the Regulation for identification of material transactions;
- exclusion of the so-called shareholder “whitewash” mechanism in the event of negative opinions expressed by the Committee of Independent Directors, unless otherwise provided for by the Articles of Association, which currently is not the case.

The “Procedure for Related-Party Transactions” is available on the website [www.gruppomondadori.it](http://www.gruppomondadori.it) - Governance section.

Detailed information about transactions with related parties in financial year 2024 is provided in the Directors’ Report on Operations and in the explanatory notes on the separate financial statements and the consolidated financial statements in the Annual Report as at 31 December 2024 available on the website [www.gruppomondadori.it](http://www.gruppomondadori.it) - Governance section.

#### **RELATED PARTIES COMMITTEE**

With regard to the period covered by this report, the composition of the Related Parties Committee was as follows:

- a) Related Parties Committee appointed by the Board of Directors on 27 April 2021 consisting of three non-executive and independent directors, with a term of office set for three financial years and, precisely, until the shareholders’ meeting to approve the financial statements as at 31 December 2023:

<b>Elena Biffi</b>	Chair - Non-Executive and Independent Director
<b>Angelo Renoldi</b>	Non-Executive and Independent Director
<b>Paola Elisabetta Galbiati</b>	Non-Executive and Independent Director

- b) Related Parties Committee appointed by the Board of Directors on 24 April 2024 consisting of three independent non-executive directors, with a term of office set for three financial years and, precisely, until the shareholders’ meeting to approve the financial statements as at 31 December 2026:

<b>Riccardo Perotta</b>	Chairman - Non-Executive and Independent Director
<b>Elena Biffi</b>	Non-Executive and Independent Director
<b>Marina Rubini</b>	Non-Executive and Independent Director

The operating procedures of the Related Parties Committee are governed by a specific regulation approved by the Board of Directors.

During 2024 two meetings were held and duly minuted, relating in particular to the issue of a reasoned opinion on one immaterial related-party transactions.

Table 3 attached to this Report shows the attendance rate of each director.

## **11. BOARD OF STATUTORY AUDITORS**

## 11.1 APPOINTMENT AND REPLACEMENT

The provisions of art. 27 of the current Articles of Association with regard to the procedures of the list voting system used to appoint the Board of Statutory Auditors are set out below.

Pursuant to art. 27.1 of the Articles of Association, the Board of Statutory Auditors is appointed by the Shareholders' Meeting on the basis of list voting. It is composed of three Standing Auditors and three substitutes. The Statutory Auditors must comply with the requirements of current law and regulations and of the Articles of Association; specifically they must be registered in the Register of Statutory Auditors and Auditing Firms and have been practising statutory auditors for a period of not less than three years, pursuant to Ministerial Decree no. 162/2000.

Furthermore, pursuant to art. 2402 Civ. Code and art. 27 of the Articles of Association, the Shareholders' Meeting determines the fees of the Standing Auditors, and the reimbursement of expenses incurred in the performance of their duties.

At the meeting of 4 March 2021, the Board of Directors approved a series of amendments to align the Articles of Association with the new legislation on gender balance in the management and control bodies of listed companies pursuant to arts. 147-*ter*.1-*ter* and 148.1-*bis* of the TUF (as most recently amended by Law no. 160/2019).

Specifically, Law no. 160/2019 increased the share of the less represented gender in the governing and control bodies of listed companies from one third to two fifths.

The current composition of the Board of Statutory Auditors, appointed by the Shareholders' Meeting of 24 April 2024 - and taking into account the effects, in accordance with the provisions of the Article of Association, of alternate auditor Emilio Gatto replacing as standing auditor the resigning Ezio Simonelli - complies with the applicable laws on gender balance.

We also point out that, with regard to the equity interest required for the presentation of lists, the Articles of Association, as specified below, refer to the percentage that, under the Issuers Regulation, is established every year by Consob based on the average market capitalisation of companies in the last quarter of each financial year. Please note that, as a result of the relevant Consob Determination, the shareholding required for the submission of lists applicable to Arnoldo Mondadori Editore S.p.A. is currently set at 2.5% of the share capital.

### **Article 27 of the Articles of Association**

*1. The Ordinary General Meeting elects the Board of Statutory Auditors, which consists of three standing members and three substitute members, who shall hold office for three years and expire at the Shareholders' Meeting called to approve the financial statements for the third year of the term of office and they may be re-elected. The composition of the Board of Statutory Auditors referred to in this provision shall apply from the first appointment following the adoption of the same.*

*All the Statutory Auditors shall be registered in the Register of statutory auditors and independent auditing firms established pursuant to law and shall have to have performed auditing activities for a period of not less than three years.*

*The Statutory Auditors shall also meet the requirements provided for in the relevant applicable law and regulatory provisions and the Board of Directors shall verify compliance.*

*2. The Statutory Auditors shall be appointed on the basis of lists submitted by the shareholders with the procedure described hereinafter. The lists shall contain a number of candidates registered with a progressive number. Each list shall include two sections: one for the candidates as Standing*

*Statutory Auditor and the other for the candidates as Substitute Statutory Auditor. Each candidate may be registered in only one list or otherwise become ineligible.*

*Each list shall include the indication of at least one Standing and one Substitute Statutory Auditor.*

*In order to ensure the balance between genders in accordance with the regulations currently in force, lists that contain three or more candidates must include candidates of both genders, in the proportions indicated by the applicable regulations on gender balance, for both the post of standing statutory auditor and the post of substitute auditor.*

*3. Shareholders with voting rights may submit lists, when they represent, alone or together with other shareholders, at least that percentage of the subscribed capital as of the date of submission of the list determined and published by Consob for the submission of the lists of candidates for the appointment of the Board of Directors pursuant to the Issuers Regulation.*

*The ownership of the share capital is determined by taking into account the shares that have been registered in favour of the shareholders on the day on which the list is filed with the Company, with reference to the subscribed capital as of the same date.*

*The relevant confirmation or certification may be notified or produced also subsequent to the filing of the list, provided that it is served to the Company within the term established for the publication of the lists by the Company.*

*The Company allows the shareholders who wish to submit lists to submit them by at least one means of remote communication, in accordance with the procedures indicated in the relevant call for the Shareholders' Meeting which allow for the identification of the shareholders upon submission.*

*The interest percentage requested for the submission of the lists of candidates for the election of the Board of Statutory Auditors is specified in the relevant call for the Shareholders' Meeting to resolve upon the appointment of said Board.*

*No shareholder may submit or vote more than one list, either directly or through nominees or trust companies. The shareholders belonging to the same group – being herein intended as the parent company, subsidiaries and companies under joint control – and the shareholders who have adhered to a Shareholders' Agreement pursuant to Article 122 of Italian Legislative Decree no. 58/1998 referring to the Issuer's shares, may not submit nor vote more than one list, even if by third party or through trust companies.*

*4. The lists are filed at the Company no later than twenty-five days before the date of the Shareholders' Meeting on first or single call to discuss the appointment of the members of the Board of Statutory Auditors and are made available to the public at the company offices, on the website and through other channels envisaged by the applicable regulations at least twenty-one days before the date of the Shareholders' Meeting.*

*The lists shall include:*

*a) information relative to the identity of the shareholders who have submitted the lists with indication of the percentage interest held;*

*b) a declaration of the shareholders who presented the list other than those who hold alone or jointly a controlling interest or a relative majority, attesting the absence or presence of links with the latter, in compliance with art. 144-quinquies, paragraph 1, of the Issuers Regulation;*

*c) exhaustive information on the personal and professional characteristics of the candidates as well as a statutory declaration by the same certifying that they meet the requisites envisaged by law and by these Articles of Association and that they accept the candidacy.*



*Candidates may not be appointed Statutory Auditors if they hold office as members of boards of directors or boards of statutory auditors to an extent that exceeds the thresholds established by the relevant applicable law and regulatory provisions.*

*5. In the case in which on the expiry date of the term of twenty-five days before the scheduled date of the Shareholders' Meeting in first or single call convened to resolve upon the appointment of the Statutory Auditors, only one single list has been filed, or the only lists submitted are by shareholders who have relations pursuant to article 144-quinquies of the Issuers Regulation, the lists may be submitted until the third day subsequent to such date. In such a case the threshold referred to in paragraph 3 above is reduced by half.*

*6. The lists submitted without compliance with the afore specified provisions shall not be presented for voting.*

*7. Before the vote, the Chair of the meeting shall make reference to any declarations under letter b) above, inviting participants, who have not filed or contributed to the filing of any lists, to declare any possible relations as specified above.*

*Should any party linked to one or more reference shareholders vote for a minority list, the existence of the relationship becomes relevant only if the vote is decisive for the appointment of the statutory auditor.*

*8. The Statutory Auditors are appointed as follows:*

*a) two standing auditors and two substitute auditors are drawn from the list that obtained the highest number of votes, in the order in which they appear in the list;*

*b) one standing auditor and one substitute auditor are appointed, in the order in which they are named on the list, from the second list that received the highest number of votes and that, pursuant to applicable law provisions, has not, even indirectly, relations with the shareholders who submitted or voted the list with the highest number of votes.*

*In the hypothesis that multiple lists have obtained the same number of votes, a new round of balloting shall be held and those listed candidates who receive a simple majority of the votes shall be elected.*

*If at the conclusion of voting and the above operations the composition of the Board of Statutory Auditors does not comply with current regulations concerning gender balance, the necessary replacements will be made in the numerical order in which candidates are listed on the list obtaining the highest number of votes.*

*9. The candidate ranked first on the second most voted list for standing statutory auditors shall be appointed Chair of the Board of Statutory Auditors.*

*10. If only one list is submitted, the Shareholders will vote on it, and if the list obtains the majority required by article 2368 et seq. of the Civil Code, the three candidates in numerical order in the relative section shall be elected as standing auditors and the three candidates listed in progressive order in the relative section shall be elected as substitute auditors; the chairmanship of the Board of Statutory Auditors will go to the person listed at the top of the section of the candidates for the office of standing auditor.*

*11. In the absence of lists and if through the voting list the number of candidates elected is fewer than the number determined by these Articles of Association, the Board of Statutory Auditors will be appointed or supplemented by the Shareholders on the basis of statutory majorities and in compliance with applicable provisions concerning gender balance.*

*12. In the case of the replacement of an auditor, the place will be taken by a substitute auditor from the same list as the former, in compliance with applicable provisions concerning gender balance; in*

*the absence of such compliance, a shift in the order of subjects in the same list as the departing statutory auditor will be made or, alternatively, belonging to any other minority lists on the basis of votes received.*

*When the Shareholders are required to appoint standing and/or substitute auditors to complete the composition of the Board of Statutory Auditors, in compliance with applicable provisions concerning gender balance, they shall proceed as follows: should Statutory Auditors elected from the majority list need to be replaced, their successors are appointed by a relative majority without list constraints; on the other hand, if Statutory Auditors from a minority list are to be replaced, the Shareholders Meeting does so by a relative majority vote, choosing from among the candidates indicated in the list to which the Statutory Auditors to be replaced belonged or, as a second option, from among the candidates contained in any additional minority lists.*

*If there are no candidates in the minority list(s), in compliance with applicable provisions concerning gender balance the appointments are made by voting one or more lists, made up of a number of candidates not greater than those to be elected, presented prior to the meeting in compliance with the provisions laid down in this article for the appointment of the Board of Statutory Auditors. Lists may not be presented (and if presented they are void) by major shareholders or the shareholders related to them, as defined by current legal and regulatory provisions. The candidates in the list that obtains the greatest number of votes will be elected.*

*If no lists are presented in compliance with the above, and in compliance with applicable provisions concerning gender balance, appointments are made by a relative majority vote without list constraints.*

*13. In any case of replacement of the Chair, the incoming auditor shall also act as Chair.*

*14. The Shareholders' Meeting establishes the fee due to the statutory auditors in addition to the reimbursement of the expenses incurred in the performance of their activities.*

*15. The powers and duties of the statutory auditors are those provided for by law.*

*16. The meetings of the Board of Statutory Auditors may be held by telecommunications means, provided that all participants are identifiable and that their identification is registered in the relevant minutes and that they are able to follow the discussion and intervene in real time in the discussion of the items on the agenda by exchanging documentation. In this case, the meeting shall be considered held in the place in which the Chair is present.*

The Board of Statutory Auditors was appointed by the Shareholders' Meeting of 24 April 2024 on the basis of the lists presented by the majority shareholder Fininvest S.p.A., owner of 53.299% of the share capital for a total of 139,355,950 shares, and by a shareholder grouping of asset managers and institutional investors, holding a total of 15,660,100 shares representing 5.989% of the share capital.

In accordance with the law and the Articles of Association, the Chair of the Board of Statutory Auditors is elected from the minority list.

The list presented by the shareholder Fininvest S.p.A. obtained a percentage of votes in relation to the voting capital equal to 79.39%, while the list presented by the grouping of shareholders formed by asset management companies and institutional investors obtained a percentage of votes in relation to the voting capital equal to 20.59%.

## 11.2 COMPOSITION AND OPERATION (EX ART. 123-BIS.2.D) AND D-BIS), TUF)

With regard to the period covered by this report, the composition of the Board of Statutory Auditors, constituted in accordance with the provisions of the Articles of Association by three statutory auditors and three alternate auditors, was as follows:

- a) The Board of Directors was appointed by the Shareholders' Meeting on 27 April 2021, with a three-year term of office, that is, until the Shareholders' Meeting to approve the financial statements as at and for the year ending 31 December 2023.

<b>Sara Fornasiero</b>	Chair Board of Statutory Auditors
<b>Flavia Daunia Minutillo</b>	Standing statutory auditor
<b>Ezio Simonelli</b>	Standing statutory auditor
<b>Mario Civetta</b>	Substitute auditor
<b>Emilio Gatto</b>	Substitute auditor
<b>Annalisa Firmani</b>	Substitute Auditor

- b) The Board of Directors was appointed by the Shareholders' Meeting on 24 April 2024, with a three-year term of office, that is, until the Shareholders' Meeting to approve the financial statements as at and for the year ending 31 December 2026.

<b>Sara Fornasiero</b>	Chair Board of Statutory Auditors
<b>Flavia Daunia Minutillo</b>	Standing statutory auditor
<b>Ezio Simonelli</b>	Standing auditor
<b>Mario Civetta</b>	Substitute auditor
<b>Emilio Gatto</b>	Substitute auditor
<b>Annalisa Firmani</b>	Substitute Auditor

During the financial year, Emilio Gatto took over the position of Standing Auditor in place of the resigning Ezio Simonelli. The Shareholders' Meeting convened for the approval of the financial statements as at 31 December 2024 is called to resolve, pursuant to Article 2401 of the Italian Civil Code, on the integration of the Board of Statutory Auditors.

The auditors have a three-year term of office and may be re-elected.

The professional and personal biographies of each member of the Board of Statutory Auditors can be found on the website [www.gruppomondadori.it](http://www.gruppomondadori.it) - Governance section.

In accordance with the current Articles of Association, all statutory auditors must be officially listed on the Italian Register of Statutory Auditors and Auditing Firms, and they must have at least three years of statutory auditing experience.

Furthermore, they must meet all legal and regulatory requirements in force.

During the year, the Board of Statutory Auditors held 17 meetings with an average duration of 2 hours, which were duly minuted. The Board of Statutory Auditors also held regular meetings with the Control, Risks & Sustainability Committee and the heads of the various corporate functions – including the Internal Audit Function – with a focus on assessing the fitness for purpose of the internal control and risk management system, and with the independent auditors to share information. The Board of Statutory Auditors also met the Supervisory Body, the members of the Boards of Statutory Auditors of the Mondadori Group subsidiaries and the independent auditors, in order to exchange information and regulatory updates.

Please refer to Table 4 attached to this Report for specific details on the composition of the Board of Statutory Auditors, including the lists from which the Auditors appointed by the Shareholders' Meeting were drawn.

The aforementioned lists, accompanied by the information referred to in Article 144-octies of the Issuers' Regulations, are available at [www.gruppomondadori.it](http://www.gruppomondadori.it) Governance section (Shareholders' Meeting of 24 April 2024).

The table also provides the attendance percentages of each member of the Board.

The following table lists the directorships or auditorships held by the current standing members of the Board of Statutory Auditors of Arnoldo Mondadori Editore S.p.A. in other listed and non-listed companies:

Board of Statutory Auditors	Positions held by the statutory auditors in other listed and non-listed companies
Sara Fornasiero	Chair of the Board of Statutory Auditors of Piattaforma Adeo Italia S.p.A. Chair of the Board of Statutory Auditors of Bricocenter Italia S.r.l. Chair of the Board of Statutory Auditors of Bricoman Italia S.r.l. Chair of the Board of Statutory Auditors of Leroy Merlin Italia S.r.l. Chair of the Board of Statutory Auditors of S.E.M Servizi Editoriali Milano S.p.A. Chair of the Board of Statutory Auditors of Rotomail Italia S.p.A. Sole Statutory Auditor of Golilla S.r.l. Standing auditor of Leonardo Logistics S.p.A. Standing auditor of MBDA Italia S.p.A. Director of Landi Renzo S.p.A. Director of Aworld S.r.l. Società Benefit Member of the audit body of the Conad ETS Foundation
Francesca Meneghel	Chair of the Board of Statutory Auditors Digitalia 08 S.r.l. Chair of the Board of Statutory Auditors Immobiliare Idra S.p.A. Chair of the Board of Statutory Auditors Mediamond S.p.A. Chair of the Board of Statutory Auditors Medusa Film S.p.A. Chair of the Board of Statutory Auditors of MFE Advertising S.p.A. Chair of the Board of Statutory Auditors Publitalia '80 S.p.A. Standing auditor of Adtech Ventures S.p.A. Standing auditor of Boing S.p.A. Standing auditor of Dolcegrado S.p.A. Standing auditor of Electa S.p.A. Standing auditor of Elettronica Industriale S.p.A. Standing auditor of Fascino S.r.l. Standing auditor of Mediolanum Comunicazione S.p.A. Standing auditor of Mondadori Scuola S.p.A. Standing auditor of Pirelli & C. S.p.A. Standing auditor of PBF S.r.l. Standing auditor of RTI S.p.A. Standing auditor of Vacanze Italia S.p.A. in liquidazione Standing auditor of Videowall S.r.l. Director of Geox S.p.A.
Emilio Gatto	Chairman of the Board of Statutory Auditors of Iveco - Oto Melara soc. consortile a r.l. Standing auditor of Alba - Servizi Aerotrasporti S.p.A. Standing auditor of Ansaldo Green Tech S.p.A. Standing auditor of Boxway S.r.l. Standing auditor of Centro Combustione Ambiente S.p.A. Standing auditor of Medlog Holding Italia S.r.l. Standing auditor of Monti & Barabino S.p.A. Sole Director of Immobiliare Pretoria S.r.l. Sole Director of Immobiliare Val Trebbia S.r.l.

## DIVERSITY CRITERIA AND POLICIES

During the year, the Board of Statutory Auditors approved - also in relation to the results of the self-assessment process carried out during the year and in view of its renewal - the Guidelines on the qualitative and quantitative composition deemed optimal of the Board of Statutory Auditors (the "Board of Statutory Auditors Guidelines"), also with reference to the identification of diversity criteria

for the composition of the Board of Statutory Auditors. The material referred to above is published on the website [www.gruppomondadori.it](http://www.gruppomondadori.it), in the Governance section, and is available on the 1info authorised storage system ([www.1info.it](http://www.1info.it)).

The Company has identified the above-mentioned Board of Statutory Auditors Guidelines as a suitable instrument for implementing the diversity criteria in the composition of the control body.

The current composition of the Board of Statutory Auditors, with respect to aspects such as age, gender composition and educational and professional background, represents a mix of the main skills and experience that are necessary and complementary to the strategic and substantial contribution required for the management and control of the Company and its specific business.

## **INDEPENDENCE**

The compliance of the members of the Board of Statutory Auditors with the independence criteria was verified by the Board itself at the time of appointment, pursuant both to art. 148 par. 3 Legislative Decree No. 58/1998 and to the Corporate Governance Code. The results of the evaluations were the subject of a press release circulated to the market.

The Board of Statutory Auditors also assesses the compliance of its members with the independence requirements on an annual basis. In particular, during the financial year 2025, the Board of Statutory Auditors confirmed, among other things, that its members continued to meet the independence requirements.

These assessments applied all the criteria set out in the Corporate Governance Code with regard to the independence of the Directors and also considered the criteria indicated in the Policy on criteria for assessment of the independence requirements for directors approved by the Board of Directors on 18 March 2021.

## **SELF-ASSESSMENT OF THE BOARD OF STATUTORY AUDITORS**

The Board of Statutory Auditors that ceased to hold office with the Shareholders' Meeting to approve the financial statements as at 31 December 2023, assisted by Governance Advisory, an external and independent consultancy firm, carried out its end-of-mandate self-assessment (2021 - 2023) during the Financial Year, in accordance with the recommendations of the Corporate Governance Code and as set out in the "Rules of Conduct for the Board of Statutory Auditors of Listed Companies".

The self-assessment was conducted through a questionnaire and individual interviews, enabling the statutory auditors to discuss the various topics in depth and offer their own comments and opinions.

The process was illustrated in a final report reflecting a positive self-assessment by the Board of Statutory Auditors, with no "shortcomings" to be remedied highlighted at individual level or in operational terms, as required by the aforementioned "Rules of conduct".

The overall opinion of the statutory auditors confirms that the composition and operation of the Board is fully fit for purpose, both as a whole and with reference to each of the following area of analysis:

- Qualitative composition and size of the Board of Auditors;
- Functioning of the Board of Auditors;
- Work organisation;

- Role, responsibilities and remuneration of auditors;
- Compliance with the law and the articles of association/corporate procedures and codes;
- Adequacy of the functioning of the organisational set-up and the internal control system;
- Adequacy and functioning of the administrative-accounting system.

The operating context of the Board of Statutory Auditors is efficient and effective: relations with the other governing bodies and corporate functions are always positive and constructive, with a high level of mutual support and cooperation. The assessment also confirmed the importance and effectiveness of the role played by the Chair, the strong sense of cohesion and the team spirit built up over two consecutive mandates, and analysed the content and development of induction and training activities.

In view of the conclusion of its term of office, the Board of Statutory Auditors drew up a series of considerations and recommendations concerning the skills required of the new statutory auditors, set out in the document entitled “Guidelines on the optimal quali-quantitative composition of the Board of Statutory Auditors of Arnoldo Mondadori Editore S.p.A.”, which is available among the documents for the Shareholders’ Meeting on the company website, and reflects a close alignment between the current mix of skills, knowhow and experience and the mix suggested for the new Board.

The Board carried out the self-assessment activities - without the aid of external consultants - also during the financial year 2025 and found no critical issues.

#### **REMUNERATION**

The shareholders’ meeting of 24 April 2024 deliberated the assignment to the Statutory Auditors of a gross annual remuneration amount, as well as reimbursement of expenses incurred in the fulfilment of their duties, as follows:

- for the Chair of the Board of Statutory Auditors 60,000 Euro;
- for each standing auditor 40,000 Euro.

#### **MANAGEMENT OF INTERESTS**

If a statutory auditor has an interest in a Company transaction directly or on behalf of third parties, he/she shall promptly provide the other statutory auditors and the Chair of the Board of Directors with full information about the nature, terms, origin and extent of the interest.

## **12. INVESTOR RELATIONS**

#### **ACCESS TO INFORMATION**

A specific corporate function named “Investor Relations” has been set up to manage relations with institutional investors and, in conjunction with the Legal & Corporate Affairs Division, with shareholders in general.

The Company policy regarding communication with financial market operators is based on the release of full and correct information about its results, initiatives and strategies, in compliance with Consob and Borsa Italiana rules and the need for confidentiality that might be required for certain information; special attention is placed on guaranteeing transparent and timely information to support relations with the financial community.

The Investor Relations function, headed by Nicoletta Pinoia, may be contacted through the e-mail address: [invrel@mondadori.it](mailto:invrel@mondadori.it) or [nicoletta.pinoia@mondadori.it](mailto:nicoletta.pinoia@mondadori.it).

The Company has created a special Investor Relations section on its website [www.gruppomondadori.it](http://www.gruppomondadori.it) which is a key tool in publishing information about the Company such as financial results, corporate events, the share price and the events calendar.

## ENGAGEMENT WITH SHAREHOLDERS

On 13 December 2021, the Board of Directors accepted the proposal of the Chair, drawn up in agreement with the CEO and the CFO, and adopted the “*Management Policy for Engagement with Shareholders and Other Interested Parties*” (“Policy”).

The Policy is intended to promote the most appropriate forms of engagement with the shareholders and the Company's other key stakeholders, taking into account best practices, the indications expressed by trade associations and the engagement policies adopted by institutional investors and asset managers.

Specifically, the Policy regulates the different forms of engagement used by the Company, which concern:

- (i) activities ordinarily managed by the relevant corporate functions, such as management of direct communication channels for Retail Shareholders, organisation of meetings, roadshows, conference calls, and management of the various communication channels with Interested Parties and other Market Operators;
- (ii) management of engagement with the members of the Board of Directors (“**Direct Engagement**”).

In detail, the Policy:

- with regard to the activities sub (i), identifies and describes the ordinary channels for direct continuous communication between the Company, Interested Parties and other Market Operators, managed by the relevant corporate functions (Investor Relations, coordinated by the CFO, and Corporate Affairs);
- with regard to the activities sub (ii), i.e., Direct Engagement:
  - identifies the criteria, conditions and issues in relation to which the Company assesses the readiness to activate direct engagement between the members of the Board of Directors on one side, and the Interested Parties and other Market Operators on the other;
  - indicates the procedures with which Interested Parties and other Market Operators may make an engagement request to the Company or with which the Company may propose that one or more parties take part in engagement activities;
  - indicates the procedures for selection of the parties, in and outside the Company, to take part in engagement, and the internal reporting procedures to the Board of Directors.

### General principles of the Policy

- The transparency principle, whereby the information provided in connection with Engagement must be clear, complete, correct, truthful and not misleading;
- compliance with the Law and regulations ruling from time to time and with internal rules of

governance. Specifically, management of Engagement complies with legislation relating to Sensitive Information, with specific reference to national and community provisions and guidance on public disclosure of Insider Information. All forms of selective or asymmetrical disclosure to the market and the public are therefore excluded.

The Board of Directors is regularly updated about planned and executed engagement and communication activities and their main results.

The Policy is available on the website [www.gruppomondadori.it](http://www.gruppomondadori.it) in the Governance section.

### 13. SHAREHOLDERS' MEETINGS

The following Articles of Association regulate the calling, proceedings and right to attend and vote at the Shareholders' Meeting:

- **art. 9** with regard to the calling of the Shareholders' Meeting:
  - a) - the meeting is called by publishing the relevant notice of call on the Company's website, subject to applicable regulations in force;
  - b) - provision for the calling of the meeting, additions to the agenda and the presentation of proposals relating to items already on the agenda at the request of the minority shareholders in compliance with current law;
  - c) - provision for exercise of the right to attend and vote through electronic means when expressly envisaged in the notice of call;
- **art. 11** with regard to establishment of the right to attend the meeting and to vote:
  - a) in accordance with the principle of the "record date" principle, entitlement is attested by notification by the broker to the Company based on evidence recorded at the close of the accounting day on the seventh trading day preceding the date set for the meeting, and any subsequent changes shall be irrelevant with regard to establishment of the right to vote. The notification must reach the Company by the close of the third trading day preceding the date scheduled for the meeting or within the indicated term, provided that this is before the meeting commences;
- **art. 12** with regard to provision for the designation and notification of proxy voting, also by electronic means, pursuant to art. 135-novies.6, Lgs.Decree no. 58/1998:
  - a) the possibility to designate a proxy through an electronically signed, computerised proxy form, as per the instructions in the Meeting's notice of call, by using the relevant section of the Company's website or by sending the designation of proxy form to the Company's certified e-mail address;
  - b) the power for the Board of Directors to designate a party for each meeting to act as a proxy on behalf of shareholders, with instructions to vote on all or some of the proposals on the agenda;
  - c) During the Year, the Extraordinary Shareholders' Meeting supplemented Article 12 of the Articles of Association, introducing the power of the Board of Directors to establish that the exercise of the right to vote and participate in the Shareholders' Meeting may be carried out exclusively through the Appointed Representative pursuant to Article 135-undecies.1. The proposal to supplement the articles of association was formulated not in terms of the automatic application of the intervention and exercise of voting rights exclusively by the appointed representative for the generality of shareholders' meetings, but rather in terms of



the Board of Directors' right to evaluate and define the possible intervention exclusively when calling individual shareholders' meetings, so as to allow for appropriate flexibility in the use of the terms set forth in the aforementioned Article 135-undecies.1 of the TUF. In the event that the participation in the Shareholders' Meeting and the exercise of the right to vote takes place exclusively through the appointed representative, where this is provided for or in any case permitted by the legal and regulatory provisions in force, the participation in the Shareholders' Meeting by the appointed representative and the other persons entitled to participate in the same may take place, also or only, by teleconference or videoconference, without the need for the chairman of the Shareholders' Meeting, the secretary and/or the notary to be in the same place;

- **art. 16** with regard to the quorum and resolutions of meetings:
  - a) the power for the Board of Directors to elect to call both ordinary and extraordinary meetings on single call pursuant to art. 2369.1, Civ. Code, or through multiple calls pursuant to art. 2369.2 *et seq.* Civ. Code;
  - b) enforcement of the legal quorums for meetings and resolutions, both on first and subsequent calls as well as on single call.

The documentation relating to the items on the agenda is made available to the public, as required by law, on the 1Info authorised storage mechanism ([www.1info.it](http://www.1info.it)), on the Company website and at the registered office.

The Shareholders' Meeting deliberates with the procedures and on the issues envisaged by law and the Articles of Association, in ordinary and extraordinary sessions.

With reference to art. 2365 Civ. Code, the Articles of Association provide for the Board of Directors to carry specific resolutions concerning certain matters that are also the competence of the shareholders, without prejudice to the competence of the shareholders on such matters.

During the year under review, the Shareholders' Meeting was held twice, on 24 April 2024 and 18 December 2024.

At the Shareholders Meeting of 24 April 2024, the Board of Directors in the person of the CEO reported to the shareholders on the matters of greatest significance concerning operations in 2023.

The disclosures required by the shareholders to enable them to take decisions on an informed basis was also provided through the publication, as required by law, of:

- a report illustrating resolutions on the draft separate financial statements as at and for the year ended 31 December 2023;
- a report illustrating resolutions relating to the appropriation of the profit for 2023 of Arnoldo Mondadori Editore S.p.A.;
- a report illustrating resolutions relating to the authorisation to buy back and dispose of own shares pursuant to the combined provisions of articles 2357 and 2357-*ter* Civ. Code;
- a report illustrating resolutions, pursuant to art. 114-*bis* of the TUF, regarding the allocation of financial instruments;
- a report on remuneration policy and fees paid as per art. 123-*ter* of the TUF. The Chair of the Remuneration & Appointments Committee reported to the shareholders on the main operating procedures of the Committee and the key characteristics of the remuneration policy through the publication of a specific "Letter from the Chair".

On 24 April 2001 the ordinary Shareholders' Meeting approved a regulation for meetings that, among other things, governs the procedure to guarantee the right of each shareholder to take the floor in the discussion on the items on the agenda in order to ensure orderly proceedings and an efficient decision-making process that safeguards the interest of the shareholders as a whole.

The regulation is available for shareholders at the head office and in the locations at which the meetings are held and also on the website [www.gruppomondadori.it](http://www.gruppomondadori.it) in the Governance section.

#### **14. ADDITIONAL CORPORATE GOVERNANCE PRACTICES (EX ART. 123-BIS.2.A), PART TWO, TUF)**

There is nothing to add with respect to the contents of this report.

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

There is nothing to add with respect to the contents of this report.

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

The letter dated 17 December 2024 of the Chair of the Corporate Governance Committee to the Chairs of the Boards of Directors of listed companies was brought to the attention of the Board of Directors.

Specifically, the Board examined the letter's "Recommendations of the Committee for 2025", and noted the following:

##### **The need for timely disclosure by issuers of the application and any non-application of the Code's recommendations, with specific indication of the reasons underlying such non-applications.**

There are no substantial departures from the recommendations of the Code. It should be noted that Mondadori, as a company with concentrated ownership controlled by right by a single corporate entity, is not subject by express provision of the Code to the Recommendations concerning the Board of Directors' self-assessment process on an annual basis (but only at the end of the three-year term of office) and the definition of a succession plan.

##### **Completeness and timeliness of pre-board information.**

Rules of the Board of Directors and Committees - with an indication of the deadline for prior submission of documents (3 days) - adopted by the Board of Directors in May 2021. Term subject to disclosure in the Corporate Governance Report.

Deadline generally met with no exceptions in 2024 for confidentiality or other reasons. With regard to resolutions of an urgent nature, the prior submission of documentation may be supplemented and/or replaced by special pre-board sessions dedicated to the in-depth examination of issues with the support of the executive directors and, where appropriate, management.

Use of a digital platform dedicated to sending and storing documentation relating to Board of Directors meetings, also in order to optimise confidentiality safeguards.

##### **Transparency and effectiveness of the remuneration policy. Predetermination and measurability of performance targets linked to the variable components - also related to sustainability issues - of the remuneration of executive directors and managers with strategic responsibilities.**

**Disbursement of extraordinary or one-off bonuses exclusively subject to specific and appropriate approval procedures and the identification of the nature and objectives of such disbursements.**

The Company's remuneration policies defined in the Report approved by the Board of Directors, on the advice of the Remuneration Committee, and by the Shareholders' Meeting, provide for the identification of predetermined and measurable performance objectives, also in relation to sustainability targets (reduction of the gender gap in terms of remuneration and managerial positions according to predefined parameters / obtaining environmental certifications or in any case linked to sustainability issues).

Regarding the potential payment of extraordinary bonuses, the company's remuneration policy provides for:

- (i) identification of an authorisation procedure (approval by the Board of Directors after consulting the Remuneration Committee);
- (ii) provision of a maximum cap amount of bonuses payable not exceeding the value of the annual MBO;
- (iii) disbursements subject to the achievement of specific objectives in addition to the performance objectives of the short- or medium-term variable components or to the occurrence of predefined circumstances (contribution of the beneficiary to the definition of extraordinary operations or significant organisational restructuring/assumption by the beneficiary of responsibilities and functions).

**TABLE 1: INFORMATION ON THE OWNERSHIP STRUCTURE AT 14/03/2024**

STRUCTURE OF SHARE CAPITAL				
	N° shares	N° voting rights	Listed (indicate markets) / non-listed	Rights and obligations
Ordinary shares (indicating whether the possibility of increased voting rights is envisaged)	261,458,340 ordinary shares  139,359,650 shares with increased voting rights	400,817,990*	Euronext Star Milan	
Preference shares				
Shares with multiple voting rights				
Other categories of shares with voting rights				
Savings shares				
Convertible savings shares				
Other categories of shares with no voting rights				
Other				

\*At the date of the approval of this report the Company held 1,268,471 treasury shares, whose voting rights are suspended.

OTHER FINANCIAL INSTRUMENTS (giving the right to subscribe new shares)				
	Listed (indicate markets) / non-listed	N° outstanding instruments	Category of shares servicing conversion/exercise	N° shares servicing conversion/exercise
Convertible bonds				
Warrants				

MAJOR SHAREHOLDINGS			
Declarant	Direct shareholder	% of ordinary share capital	% of voting share capital
-	Fininvest S.p.A.	53.299%	69.536%

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

Board of Directors													
Office	Members	Year of birth	Date of first appointment (*)	In office since	In office until (sm.app. fin.stmts)	List (presenters) (**)	List (M/m) (***)	Exec.	Non-exec.	Indep. Code	Indep. TUF	No. other positions (****)	Attendance (*****)
Chair	Berlusconi Marina	1966	30.05.1994	24.04.2024	31.12.2026	Shareholders	M	x				3	6/6
Chief Executive Officer	Porro Antonio Stefano	1965	27.04.2021	24.04.2024	31.12.2026	Shareholders	M	x				7	6/6
Director	Berlusconi Pier Silvio	1969	30.05.1994	24.04.2024	31.12.2026	Shareholders	M		x			7	0/6
Director	Biffi Elena	1966	24.04.2018	24.04.2024	31.12.2026	Shareholders	M		x	x	x	2	6/6
Director	Rubini Marina	1969	24.04.2024	24.04.2024	31.12.2026	Shareholders	M		x	x	x	1	4/6
Director	Currò Francesco	1954	24.04.2018	24.04.2024	31.12.2026	Shareholders	M		x			-	6/6
Director	Franzosi Alessandro Edoardo	1964	17.05.2020	24.04.2024	31.12.2026	Shareholders	M	x				9	6/6
Director	Galbiati Paola Elisabetta	1958	27.04.2021	24.04.2024	31.12.2026	Shareholders	M		x	x	x	2	6/6
Director	Pellegrino Danilo	1957	28.02.2013	24.04.2024	31.12.2026	Shareholders	M		x			6	6/6
Director	Bracco Pietro	1974	24.04.2024	24.04.2024	31.12.2026	Shareholders	m		x	x	x	2	4/6
Director	Perotta Riccardo	1949	24.04.2024	24.04.2024	31.12.2026	Shareholders	M		x	x	x	10	3/6
Director	Rossello Cristina	1961	19.04.2012	24.04.2024	31.12.2026	Shareholders	M		x			6	6/6
-----DIRECTORS WHO CEASED TO HOLD OFFICE DURING THE YEAR-----													
Director	Casella Valentina	1979	27.04.2021	27.04.2021	31.12.2023	Shareholders	M		x	x	x	3	2/6
Director	Rapagna Alceo	1969	27.04.2021	27.04.2021	31.12.2023	Shareholders	m		x	x	x	8	2/6
Director	Renoldi Angelo	1949	11.11.2010	27.04.2021	31.12.2023	Shareholders	M		x	x	x	2	2/6

Indicate the number of meetings held during the year: 6

Indicate the quorum required for the presentation of lists by minorities for the election of one or more members (ex art. 147-ter CFA): 2.5%

#### NOTES

The symbols shown below should be inserted in the "Office" column:

- Director responsible for the internal control and risk management system.
- Lead Independent Director (LID).

(\*) The date of first appointment signifies the date on which the director was appointed for the first time (ever) to the BoD of the Issuer.

(\*\*) This column indicates whether the list from which each director was elected was presented by shareholders ("Shareholders") or the BoD ("BoD").

(\*\*\*) This column indicates whether the list from which each director was elected was a "majority" list ("M"), or a "minority" list ("m").

(\*\*\*\*) This column indicates the number of positions held by the individual as director or statutory auditor in other listed companies or large companies. The positions are shown in full in the Corporate Governance Report.

(\*\*\*\*\*) This column indicates the attendance of the directors at the meetings of the BoD (indicate the number of meetings attended with respect to the overall number of meetings held; e.g., 6/8; 8/8, etc.).

### TABLE 3: STRUCTURE OF THE BOARD COMMITTEES AT THE CLOSE OF THE FINANCIAL YEAR

[illegible]

Senior Manager of the Issuer/ Surname Name									
<b>No. meetings held during the year:</b>		2	10	5					
<p>NOTES</p> <p>(*) This column indicates the attendance of the directors at the committee meetings (indicate the number of meetings attended with respect to the overall number of meetings held; e.g., 6/8; 8/8, etc.).</p> <p>(**) This column indicates the position of the director on the Committee: "C": chair; "M": member.</p> <p>(●) Expired with the shareholders' meeting to approve the 2023 financial statements.</p> <p>(●●) Appointed with the shareholders' meeting to approve the 2023 financial statements.</p>									

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

Board of Statutory Auditors									
Office	Members	Year of birth	Date of first appointment (*)	In office since	In office until (AGM app.ann.rpt)	List (M/m) (**)	Indep. Code	Attendance at meetings (***)	No. other positions (****)
Chair	Fornasiero Sara	1968	24.04.2018	24.04.2024	31.12.2026	m	x	17/17	12
Standing Statutory Auditor	Meneghel Francesca	1961	24.04.2024	24.04.2024	31.12.2026	M	x	10/17	20
Standing Statutory Auditor	Gatto Emilio ●	1969	27.04.2021	21.12.2024	31.12.2024	M	x	0/17	9
Substitute Statutory Auditor	Civetta Mario	1966	24.04.2018	24.04.2024	31.12.2026	m	x	-	-
Substitute Statutory Auditor	Annalisa Firmani	1971	23.04.2015	24.04.2024	31.12.2026	M	x	-	-
-----AUDITORS WHO CEASED TO HOLD OFFICE DURING THE YEAR-----									
Standing Statutory Auditor	Minutillo Flavia Daunia	1971	23.04.2015	27.4.2021	31.12.2023	M	x	7/17	16
Standing Statutory Auditor	Simonelli Ezio ●●	1958	29.04.2009	24.04.2024	31.12.2026	M	x	16/17	29
Substitute Statutory Auditor	Gatto Emilio ●	1969	27.04.2021	24.04.2024	31.12.2026	M	x	-	-

Indicate the number of meetings held during the year: 17

Indicate the quorum required for the presentation of lists by minorities for the election of one or more members (ex-art. 148 CFA): 2.5%

#### NOTES

(\*) The date of first appointment of each statutory auditor signifies the date on which the auditor was appointed for the first time (ever) to the board of statutory auditors of the Issuer.

(\*\*) This column indicates whether the list from which each statutory auditor was elected was a "majority" list ("M"), or a "minority" list ("m").

(\*\*\*) This column indicates the attendance of the statutory auditors at the meetings of the board of statutory auditors (indicate the number of meetings attended with respect to the overall number of meetings held; e.g., 6/8; 8/8, etc.).

(\*\*\*\*) This column indicates the number of director or statutory auditor positions held by the individual pursuant to art. 148-bis CFA and the Consob Issuers Regulation. The full list of positions is published by

Consob on its website pursuant to art. 144-*quinquiesdecies* of the Consob Issuers Regulation.

(●) Succeeded to the office of Standing Auditor on 21 December 2024, following the resignation of Ezio Simonelli.

(●●) Resigned on 21 December 2024.