

Arnoldo Mondadori Editore S.p.A.
Registered office: Via Bianca di Savoia 12, Milan
Share capital € 67,979,168.40 fully paid-up
Milan-Monza-Brianza-Lodi Company register and tax code 07012130584 VAT No. 08386600152

GRUPPO  MONDADORI



**POLICY ON CRITERIA FOR ASSESSMENT OF THE INDEPENDENCE
REQUIREMENTS FOR DIRECTORS**

(RECOMMENDATION NO.7 OF THE CORPORATE GOVERNANCE CODE)

Introduction

This “*Policy on criteria for assessment of the independence requirements for directors*” (“*Policy*”), adopted by the Board of Directors on a proposal of the Remuneration & Appointments Committee on 18 March 2021, pre-defines, in compliance with recommendation 7. of the Corporate Governance Code approved in January 2020 (“*Code*”), the quantitative and qualitative criteria for assessment – with a view to the eventual exclusion of the independence requirement for the directors as per said recommendation 7. - of the significance of:

i) any business, financial or professional relations of the independent directors with:

1.1) Arnoldo Mondadori Editore S.p.A. (also “*the Company*”)

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) 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.

The Policy also predefines the concept of “close family member” for the purposes of recommendation 7. subhead h) of the Code.

1. Scope of application of the Policy. Definitions. Effects of the Significance Criteria.

Exceptions.

For the purposes of the application of this Policy:

- the current financial year and the three previous financial years are taken into account during assessment of the independence requirements of the directors to be conducted at least on an annual basis by the Board of Directors (*“Reference Period”*);
- the term *“Additional Remuneration”* signifies remuneration – over and above the fixed fee for the post of director and that envisaged for participation in the committees recommended by the Code or envisaged by current laws – received by the director for other posts held in the parties as per points 2.1) 2.2.) 2.3) above;
- the term *“control”* signifies the existence of the circumstances and relationships as per article 2359 no. 1, 2 and 3 Italian Civil Code or the existence of a controlling relationship, alone or jointly, through a shareholders’ agreement;
- the term *“executive directors”* signifies directors holding individual management powers or management positions in the company in question;
- the term *“top management”* signifies senior managers who are not members of the board of directors, who hold powers of and responsibility for planning, management and control of the company in question and the group to which the company belongs. With regard to Arnoldo Mondadori Editore S.p.A., this signifies parties identified as key management personnel pursuant to the legislative provisions governing Related Parties and Remuneration Policy.

The existence of the criteria indicated below (*“Significance Criteria”*) determines, as a general rule, the non-configurability of the independence requirement or – if the criteria have come into existence after the assessment of independence by the Board of Directors – the loss of the independence requirement by the director concerned.

The directors are required to comply with this Policy and provide the Company with – and where appropriate obtain from the Company – all the information and indications useful for the independence assessments of the Board of Directors, and also issue attestations and declarations with regard to the independence requirement in compliance with the Significance Criteria pre-defined in this Policy.

The Board of Directors retains the power to assess, subject to the favourable opinion of the Remuneration & Appointments Committee, the existence and/or maintenance of the independence requirement with respect to a director even if one or more of the Significance Criteria applies.

The assessment is performed with a reasoned resolution regarding the position and individual characteristics of the director under assessment, also with regard to the substantive presence of the Significance Criteria with respect to the position and overall professional activity of the party concerned.

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, 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 last 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 annual costs sustained in the last fiscal year by the Mondadori Group that can be related to the same type of contractual relationship;

- *professional services:*

- (i) (5)% of the last 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 annual costs sustained in the last fiscal year by the Mondadori Group 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.

After consulting with the Appointments Committee, the Board of Directors assesses the significance of the relations described above on the basis of the information provided by the director in question and taking specific account of the overall professional activity normally performed by said director and the positions normally assigned to him/her.

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 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 s/he is 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.

3. Definition of close family members (recommendation 7 point h) of the Corporate Governance Code

The Code (recommendation 7, point h) indicates that the circumstance where the director describes him/herself as a “close family member” of a person in one of the circumstances described in the previous points of the recommendation could compromise the independence of said director.

In order to determine specifically the circumstance referred to above, the following are identified as “close family members” for the purposes of recommendation 7 point h), with the consequent exclusion of the independence requirement for the director in question:

- *The spouse unless legally separated;*
- *Children;*
- *Parents;*
- *Any other permanently cohabiting family members.*

The identification is based on a general presumption of the greater influence that could be exercised among close family members as identified above with respect to relations with the Company.