

FRONTIS GOVERNANCE'S DIALOGUE WITH ISSUERS

2021 SEASON

In line with its communication policy, Frontis Governance considers an ongoing dialogue with issuers and shareholders as a primary tool to improve mutual knowledge of corporate governance practices and guidelines. Frontis Governance promotes engagement activities outside the proxy season, in order to have an effective impact on the alignment between the issuers' practices and shareholders' expectations.

In 2021, Frontis Governance was involved in 22 engagement activities as part of its proxy advisory activities. In addition, Frontis Governance held 2 additional meetings with Italian listed companies as part of its support to engagement activities of institutional investors.

On aggregate, Frontis Governance held 24 engagement activities (+3 compared with 2020), exclusively through telematic means, with 17 out of 45 Italian listed companies included in its universe of analysis, as well as with 1 shareholder who filed a proposal.

54% of engagement activities (13) were carried out in the first quarter of the year, before the proxy season, and only 17% (4) in the second quarter, during the proxy season. The remaining 29% of engagement activities (7) were held in the fourth quarter of the year, and mainly regarded follow-up discussions on the past proxy season, extraordinary general meetings and preparatory activities for the 2022 proxy season.

Main topics of discussion were (% on 24 activities):

1. Remuneration of executives (83% of meetings), mostly concerning amendments to variable remuneration schemes, performance targets related to sustainability and definition of remuneration paid in 2020;
2. Composition, appointment and regulations of corporate bodies (38%);
3. Financials, shareholder remuneration and business plan (25%);
4. Strategies related to environmental and social sustainability (17%);
5. Extraordinary transactions and M&A (4%);
6. Amendments to the corporate bylaws (4%).

The following is the list of engagement activities carried out by Frontis Governance in 2021 with Italian listed companies:

TERNA

January 21st, conference call.

Main topics covered:

- 2021-2025 Business Plan;
- Sustainability: security plan, compliance with EU Taxonomy and emission reduction plan;
- Remuneration policy and link between variable remuneration and ESG-related targets.

ENEL

January 26th, videoconference.

Main topics covered:

- Dividend policy;
- Composition of the Board of Directors;
- Definition of variable remuneration paid in 2020;
- Amendments to the remuneration policy and ESG-related targets used to calculate variable remuneration.

October 26th, videoconference, as part of Frontis Governance's suport to institutional investors' engagement activities.

Main topics covered:

- Emission reduction and measures to fight climate change;
- Protection of human rights in high-risk countries where the Group is active;
- Anti-corruption procedures;
- Remuneration policy.

A2A

February 1st, videoconference.

Main topics covered:

- Amendments to the remuneration policy and link between variable remuneration and ESG-related targets.

RECORDATI

February 3rd, videoconference.

Main topics covered:

- Amendments to the remuneration policy and new Stock Option Plan.

ASSICURAZIONI GENERALI

February 15th, videoconference.

Main topics covered:

- Amendments to the remuneration policy.

November 25th, videoconference.

Main topics covered:

- Procedures for the definition of the slate of nominees for the election of Directors to be submitted by the outgoing Board;
- Remuneration policy.

PRYSMIAN

February 26th, videoconference.

Main topics covered:

- Composition of the Board of Directors and Board's Committees;
- Procedures for the definition of the slate of nominees for the election of Directors to be submitted by the outgoing Board;
- Succession and induction plans;
- Amendments to internal organization structures;
- Remuneration policy;
- Definition of variable remuneration paid in 2020.

TELECOM ITALIA

March 5th, videoconference.

Main topics covered:

- Procedures for the definition of the slate of nominees for the election of Directors to be submitted by the outgoing Board;
- Amendments to the remuneration policy and link between variable remuneration and ESG-related targets;
- Definition of variable remuneration paid in 2020.

UNICREDIT

March 8th, videoconference.

Main topics covered:

- Shareholders' remuneration (dividends and share buyback plan);
- Procedures for the definition of the slate of nominees for the election of Directors to be submitted by the outgoing Board;
- Remuneration plan for the new CEO;
- Remuneration policy.

INTESA SANPAOLO

March 11th, videoconference.

Main topics covered:

- Amendments to the long-term incentive plan.

BPER BANCA

March 15th, videoconference.

Main topics covered:

- Amendments to the long-term incentive plan;
- Remuneration policy.

ATLANTIA

March 17th, videoconference.

Main topics covered:

- Amendments to the remuneration policy and link between variable remuneration and ESG-related targets;
- Board of Directors' composition and regulations;
- Powers of Board Committees and establishment of the Sustainability Committee;
- Amendments to the Bylaws.

May 6th, conference call.

Main topics covered:

- Binding offer for the acquisition of Atlantia's stake in Autostrade per l'Italia submitted by a consortium of investors including CDP, Blackstone and Macquarie.

ITALGAS

March 18th, videoconference.

Main topics covered:

- Dividend policy;
- Company's initiatives related to Covid-19 pandemic and workers' health and safety;
- Remuneration policy.

SAIPEM

March 26th, videoconference.

Main topics covered:

- Election of the Board of Directors;
- New Business Plan and measures to safeguard health and safety of employees and contractors;
- Amendments to variable remuneration schemes and ESG-related targets.

FINECO

April 7th, videoconference.

Main topics covered:

- Amendments to variable remuneration schemes and ESG-related targets;
- Definition of remuneration paid in 2020.

ENAV

April 12th, videoconference.

Main topics covered:

- Remuneration policy;
- Amendments to variable remuneration schemes and ESG-related targets.

ENI

April 23rd, videoconference.

Main topics covered:

- Definition of variable remuneration paid in 2020.

October 6th, videoconference, as part of Frontis Governance's support to institutional investors' engagement activities.

Main topics covered:

- Management of waste and natural resources;
- Emission reduction plans;
- Anti-corruption procedures and tax transparency;
- Protection of human rights in high-risk countries where the Group is active.

December 3rd, videoconference.

Main topics covered:

- Remuneration policy.

MEDIOBANCA

October 4th, conference call.

Main topics covered:

- Purchase and cancellation of treasury shares;
- Remuneration policy.

October 8th, conference call.

Main topics covered:

- Amendments to the Bylaws relating to the composition and election mechanism of the Board of Directors (Board's proposals).

October 8th, videoconference with shareholder DELFIN

Main topics covered:

- Amendments to the Bylaws relating to the composition and election mechanism of the Board of Directors (Delfin's proposals).