



Infrastrutture Wireless Italiane S.p.A.

## SELF-DISCIPLINE PRINCIPLES OF INFRASTRUTTURE WIRELESS ITALIANE

(AMENDED BY BOARD OF DIRECTORS' RESOLUTION OF 13 MAY 2021)

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## **1. GENERAL PRINCIPLES**

1.1 Infrastrutture Wireless Italiane (“INWIT” or the “Company”) adheres to the Corporate Governance Code approved by the Corporate Governance Committee of Borsa Italiana S.p.A., in the edition in force at the time (hereinafter, the “Code”).

1.2 This document supplements the framework of applicable rules with reference to the tasks and functioning of the Company’s bodies. For anything not provided for herein, the provisions of the Code shall apply, as well as those of the law and Bylaws in force.

## **2. RULES OF CONDUCT**

2.1 In carrying out their activities, the members of the company bodies shall comply with applicable regulations, the Code of Ethics adopted by the Company, the Bylaws and the Code.

2.2 The Board of Directors identifies the company’s key managers/executive officers as management representatives, for whom the legal obligations to make disclosures to the public and those to refrain, under applicable law, from carrying out transactions on financial instruments issued by the company, shall apply.

## **3. COMPOSITION OF THE BOARD OF DIRECTORS**

3.1 The Company recommends that its shareholders exercise their rights to nominate and appoint members of the corporate bodies, taking into account the recommendations of the Code, best practice and the assessments made by the Board of Directors and/or Board of Statutory Auditors in their respective reports.

3.2 It is considered incompatible with the duties of a director of INWIT to be a director or auditor of more than five companies - other than those subject to the direction and coordination of Telecom Italia S.p.A. or Vodafone Group Plc, or subsidiaries or affiliates of any such companies - in the following cases (i) companies listed on the FTSE/MIB index or (ii) companies operating primarily in the financial sector in relation to the public or (iii) companies that carry out banking or insurance activities; furthermore, it is not considered compatible for the same director to hold more than three executive positions in the type of companies specified in points (i), (ii) and (iii) above. If a Director holds office in more than one company belonging to the same group, only one appointment held within that group shall be taken into account when calculating the number of appointments.

3.3 With regard to the limitation on the number of offices held, the Board of Directors shall retain its right to make a different assessment on a case by case basis, taking into account the size, the organisation and any shareholding relations existing between the different companies. This assessment shall be published in the annual report on corporate governance.

## **4. ROLE OF THE BOARD OF DIRECTORS**

4.1 The role of the Board of Directors is to provide strategic supervision and direction, pursuing the sustainable success of the Company. Specifically, the Board of Directors defines the most functional corporate governance system for carrying out the company’s business and pursuing its strategies. It has as its primary objective the creation of value for shareholders in the long-term, while also taking into account the legitimate interests of the other remaining relevant stakeholders and facilitating dialogue with them.

4.2 The Board of Directors shall perform the duties assigned to it by the applicable legislation, the Bylaws and the Code.

## 5. FUNCTIONING OF THE BOARD OF DIRECTORS

5.1 The Board of Directors shall establish an annual calendar of meetings, on the recommendation of the Chairman, with a long-term agenda of topics likely to be scheduled. Without prejudice to the meetings scheduled on the calendar, the Board of Directors shall meet whenever the interests of the Company so require, in the opinion of the Chairman. It also meets when the Chairman receives a written request from at least one fifth of the Directors or also individually from each member of the Board of Statutory Auditors pursuant to the law and the Bylaws. Each Director is entitled to put forward topics of discussion for the Board's meetings. It is up to the Board to decide if and when the topic will be examined.

5.2 The Chairman of the Board of Directors shall be assisted by the Secretary of the Board of Directors in carrying out his/her duties. To ensure optimal functioning of the body, he/she collaborates in the appropriate ways with the Chief Executive Officer, the Lead Independent Director, where appointed, and the Chairmen of the Committees and Board of Statutory Auditors.

5.3 The Chairman, on his/her own initiative or at the request of those present, may invite the Company's managers or other individuals external to the Board to attend the meetings. Upon invitation by the Chairman, the executive responsible for preparing the corporate accounting documents attends the board meetings when matters for which he/she is responsible are discussed.

5.4 In cases of urgency and without prejudice to the restrictions of law and the Bylaws, the Chairman of the Board of Directors shall exercise the powers for matters for which the Board of Directors is responsible; he/she shall report the actions carried out and decisions made to Directors and Statutory Auditors by means of a specific memo and in any case at the first suitable board meeting, giving reasons for the urgency.

5.5 The Chairman shall facilitate the organisation of meetings of Directors and Statutory Auditors with the Chief Executive Officer, the Company's management representatives and experts, for the discussion of matters of interest to the company, for education, refresher training or in-depth examination purposes.

5.6 The Board of Directors may appoint an independent Director as the Lead Independent Director. Where appointed, the Lead Independent Director shall collect and coordinate the requests and contributions of independent Directors and, in general, of non-executive Directors; he/she may convene specific meetings solely for independent Directors, to discuss topics of interest concerning the functioning of the Board of Directors or business management, and may also invite the company's management representatives to such meetings.

5.7 As a general rule, the Board of Directors is organised through the establishment of internal committees that are stable or set up for specific transactions or types of transaction; the Related Parties Committee is established in accordance with CONSOB Regulation no. 17221/2010, as subsequently updated (hereinafter, the "**CONSOB Regulation**"), in relation to which reference should be made to the applicable procedure on related party transactions adopted by the Company (hereinafter, the "**RPT Procedure**").

5.8 With the exception of the Related Parties Committee, internal committees do not have any exclusive powers; however, where their intervention is provided for herein or by the Code, the

Board of Directors shall justify any decisions made without prior proposal and/or preliminary investigation.

## **6. NOMINATION AND REMUNERATION COMMITTEE**

6.1 The Board of Directors shall set up a Nomination and remuneration committee, composed in accordance with the provisions of the Code.

6.2 The Chairman of the Committee may invite the Chairman of the Board of Directors, the Chief Executive Officer and, by informing the Chief Executive Officer, the managers of the corporate functions that are competent on the matters of the committee meeting, to individual committee's meetings. The members of the control body can attend the meetings of the Committee.

6.3 Without prejudice to the duties assigned to it by the Code, the Committee:

- makes proposals to the Board of Directors on the succession plan of the Chief Executive Officer if it is adopted by the Board of Directors and monitors the updating of the company management replacement tables;
- establishes the procedure and period for the annual evaluation of the Board of Directors;
- proposes the criteria for allocating the total annual compensation established by the Shareholders' Meeting for the whole Board of Directors;
- makes proposals on incentive plans and the remuneration of top management;
- performs other duties assigned to it by the Board of Directors.

6.4 The Committee's operating procedures (including methods for minuting meetings, procedures for managing information flows to directors, related deadlines for advance submission of information, and procedures for protecting the confidentiality of data and information provided so as not to compromise the timeliness and integrity of the information flows) and the prerogatives granted to it are governed by specific regulations approved by the Board of Directors, which make reference to the provisions of the Code.

## **7. CONTROL AND RISK COMMITTEE**

7.1 The Board of Directors shall set up a Control and Risk Committee, in accordance with the provisions of the Code.

7.2 The Chairman of the Committee may invite the Chairman of the Board of Directors, the Chief Executive Officer and, by informing the Chief Executive Officer, the managers of the corporate functions that are competent on the matters of the committee meeting, to individual committee's meetings. The members of the control body can attend the meetings of the Committee. Where considered appropriate, in relation to the issues to be discussed, the Committee and the Board of Statutory Auditors shall meet jointly and in any case promptly exchange relevant information to enable the fulfilment of their respective duties.

7.3 Without prejudice to the duties and powers conferred on it by the Code, the Committee:

- monitors observance of the Company's corporate governance rules, as well as the evolution of legislation and best practices on the matter, also with a view to proposing updates to the rules and internal practices of the Company;
- establishes financial and non-financial fiscal year disclosure, in view of examination by the full board;

- performs other duties assigned to it by the Board of Directors.

7.4 The Committee's operating procedures (including methods for minuting meetings, procedures for managing information flows to directors, related deadlines for advance submission of information, and procedures for protecting the confidentiality of data and information provided so as not to compromise the timeliness and integrity of the information flows) and the prerogatives granted to it are governed by specific regulations approved by the Board of Directors, which make reference to the provisions of the Code.

## **8. RELATED PARTIES COMMITTEE**

8.1 The Board of Directors shall set up a Related Parties Committee, in accordance with the provisions of the CONSOB Regulation.

8.2 The Chairman of the Committee may invite the Chairman of the Board of Directors, the Chief Executive Officer and, by informing the Chief Executive Officer, the managers of the corporate functions that are competent on related-party transactions, to individual committee's meetings. The members of the control body can attend the meetings of the Committee.

8.3 The Committee shall perform the duties and have the powers set out in the CONSOB Regulation and the specific RPT Procedure.

8.4 The Committee's operating procedures (including methods for minuting meetings, procedures for managing information flows to directors, related deadlines for advance submission of information, and procedures for protecting the confidentiality of data and information provided so as not to compromise the timeliness and integrity of the information flows) and the prerogatives granted to it are governed by the RPT Procedure, as well as by specific regulations approved by the Board of Directors, in compliance with the provisions of the CONSOB Regulation.

## **9. SUSTAINABILITY COMMITTEE**

9.1 The Board of Directors shall set up a Sustainability Committee, composed of non-executive directors, of whom at least one third are independent, adequately skilled with respect to the duties they are called on to perform, for instance in matters of corporate sustainability, technology, organisational strategies and corporate finance.

9.2 The Chairman of the Committee may invite the Chairman of the Board of Directors, the Chief Executive Officer and, by informing the Chief Executive Officer, the managers of the corporate functions that are competent on the matters of the committee meeting, to individual committee's meetings. The members of the control body can attend the meetings of the Committee.

9.3 The Committee:

- monitors compliance with corporate social responsibility rules, as well as the evolution of legislation and national and international best practices on the subject;
- makes proposals to the Board of Directors regarding sustainability strategies and the sustainability plan, monitoring their implementation on the basis of the objectives set in the plan itself and assesses whether they should be updated at the end of each financial year;
- monitors the consistency of Inwit's objectives and management with environmental, social and corporate sustainability criteria (ESG), as well as sustainable finance initiatives, the Company's positioning in sustainability indexes and the non-profit strategies of the

Company.

9.4 The Committee's operating procedures (including methods for minuting meetings, procedures for managing information flows to directors, related deadlines for advance submission of information, and procedures for protecting the confidentiality of data and information provided so as not to compromise the timeliness and integrity of the information flows) and the prerogatives granted to it are governed by specific regulations approved by the Board of Directors.

## **10. BOARD OF STATUTORY AUDITORS**

10.1 The Board of Statutory Auditors performs the activities entrusted to it by the applicable laws and regulations.

10.2 Without prejudice to the powers and authorities granted to Statutory Auditors by law, the Company shall provide the Board of Statutory Auditors with dedicated internal structures with support functions, the option to ask INWIT's Audit Department and its Legal & Corporate Affairs Department – which also oversees compliance and regulatory matters – to carry out specific audits, and access to external consultants of its choice.

10.3 The Board of Statutory Auditors shall adopt a procedure governing the receipt, storage and handling of reports, notifications and complaints, including those made by employees and in anonymous form.

## **11. INTERNAL CONTROL AND RISK MANAGEMENT SYSTEM**

11.1 The internal control and risk management system is organised and operates according to the principles and criteria set out in the Corporate Governance Code. It is an integral part of the Company's general organisational structure and includes several components that act in a coordinated way in accordance with their responsibilities, namely (i) the responsibility of the Board of Directors to direct and provide strategic evaluation; (ii) the monitoring and management responsibilities of the Chief Executive Officer (iii) the responsibility of the Control and Risk Committee to monitor and support the Board of Directors, (iv) the supervisory responsibilities of the Board of Statutory Auditors, (v) the auditing responsibilities of the head of the Audit Department and (vi) the support responsibilities of the other company departments involved in the controls.

11.2 The Board of Directors defines the guidelines of the internal control and risk management system. Identification of risks and first- and second-level controls and the setting up and maintenance of the system are entrusted to the Chief Executive Officer, as well as to the Executive responsible for preparing the corporate accounting documents, for the area for which he/she is responsible.

11.3 The adequacy and effectiveness of exercising the powers thus conferred, of the organisational structures and relevant operating processes are monitored through the Control and Risk Committee and evaluated by the Board of Directors at least once a year in the corporate governance report. More generally, the Control and Risk Committee provides the Board with general preliminary support on the matter, by liaising with the key managers, the Audit Department, the Executive responsible for preparing the corporate accounting documents, the external auditor and the Board of Statutory Auditors.

11.4 By virtue of a specific agreement subject to approval by the Company's Board of Directors, INWIT may make partial or full use of external suppliers (including any belonging to the Telecom

Italia Group or to the Vodafone Group) for the performance of second and third level control activities.