



**SELF-ASSESSMENT BY THE BOARD OF DIRECTORS**

Guidelines on quantitative and qualitative composition  
deemed optimal for the renewal of the Board of Directors

## **BOARD PERFORMANCE REVIEW**

With reference to the provisions of art. 4 of the Corporate Governance Code, the Board of Directors carried out, with the support of the Appointments and Remuneration Committee, which assisted it in carrying out the process, an assessment of the size, composition and concrete functioning of the Board of Directors and internal board committees during the 2021 financial year, also considering the role it played in defining the strategies and monitoring the management trend and the adequacy of the internal control and risk management system.

The evaluation process was performed not only on the basis of the evaluation criteria already used in the past, but also on the basis of the results of a self-evaluation questionnaire prepared by Newlat Food S.p.A. (“**Newlat Food**” or the “**Company**”), with the support of the consultant Studio Segre S.r.l.

The board performance review was also carried out in consideration of the recommendations that the outgoing Directors will be called to express on the skills whose presence is deemed necessary for the purposes of the composition of the new Board of Directors which will be appointed by the Shareholders’ Meeting called for approval of the Financial Statements as at 31 December 2021 (although this recommendation pursuant to the Corporate Governance Code does not apply to Newlat Food, as a company with concentrated ownership), also taking into account elements such as training and professional characteristics, experience, including managerial, gender and age, consistently with the provisions of art. 123-bis, paragraph 2, letter d-bis) of the TUF.

The questionnaire allowed the individual Directors to report on any issues worthy of further study.

## **DIVERSITY POLICY IN RELATION TO THE COMPOSITION OF THE MANAGEMENT BODIES**

### **1.1 Targets**

The Board of Directors believes that the presence of different skills, values and points of view, complementary to each other, within the Board of Directors itself can represent a strength as it allows to analyze the various topics under discussion from different perspectives, stimulate the debate and constitute the prerequisite for collegial, meditated, aware and balanced decisions.

The presence of different professionals is considered essential and necessary also for the purposes of a complete understanding and adequate appreciation of the various aspects that must be taken into account in the business in which the Company operates.

### **1.2 Methods of implementation**

The Board of Directors of the Company pursuant to the provisions of art. 147-ter of the TUF, as well as by arts. 13 et seq. of the Articles of Association are appointed on the basis of lists of candidates presented by the shareholders, whose composition depends on the decisions that, from time to time, will be taken by the latter within the Shareholders’ Meeting, in compliance with current legislative and regulatory provisions.

Without prejudice to the foregoing, the Board of Directors believes that the Company's policy on diversity in relation to the composition of its administrative bodies (the "Policy") is in line with the recommendations and guidelines laid down by the Corporate Code Governance.

### **1.3 Size, composition and functioning of the Board of Directors**

In particular, the Policy of the Board of Directors is to provide that each Director, as part of the self-assessment process on the functioning of the Board of Directors itself and its Board Committees, expresses his/her own guidelines before appointing the new Board, in matters of diversity, on managerial and professional figures, whose presence in the Board is considered appropriate, also taking into account elements such as training and professional characteristics, experience, including managerial, gender and age.

Since the current Board of Directors, composed of seven members, was appointed by the Shareholders' Meeting on 8 July 2019 and, consequently, the mandate conferred on it will expire on the date of the Shareholders' Meeting called to approve the Financial Statements at 31 December 2021, this evaluation process was carried out in the first quarter of 2022 in such a way that its results can constitute an integral and substantial element of the recommendations to the Shareholders' Meeting that will be called for the appointment of the new administrative body.

The results of the assessments carried out by the current Board of Directors are shown below.

#### **Size of the Board of Directors**

The Board of Directors of Newlat Food believes:

- adjusted the current number of Directors (7), to ensure an adequate balance of skills and experience required by the Company's and Group's business;
- adjusted the relationship currently in place between Executive (3), non-Executive (4) and Independent Directors according to the Corporate Governance Code (3), as suitable for ensuring the effective functioning of the Board of Directors itself.

#### **Composition of the Board of Directors**

The Board of Directors deems its composition adequate both in terms of skills and diversity, given the presence of managerial figures of international level with strong skills in accounting, finance, as well as risk management, able to provide concrete support to the pursuit of the strategic objectives of the Company and the tasks of the Board itself.

Furthermore, the Board of Directors believes that it may be useful to strengthen the presence of figures with skills in the digital and IT fields, as well as in the field of ESG and, in particular, with skills in terms of sustainability.

## **Operation of the Board of Directors**

As regards the functioning of the Board of Directors, the Directors believe that the organization of the meetings is suitable for the structure of the Company, both in terms of the number of meetings and the duration of the meetings themselves, in which there is constant participation, from part of all the members, as well as external subjects - from time to time - involved based on the items on the agenda of each meeting.

The conditions in which the meetings are held were also deemed suitable and satisfactory, in terms of intervention, in-depth analysis of individual issues, as well as deliberations with full knowledge of the facts and in full autonomy.

Finally, adequate attention was paid to issues related to risk management and internal control.

## **Internal board committees**

As regards the size, composition and functioning of the internal committees (Control and Risks Committee, Appointments and Remuneration Committee and Committee for Transactions with Related Parties), they were deemed adequate and suitable for the corporate structure.

These internal board committees are all made up of figures with high professional experience who allow an effective performance of the tasks that each Committee is called upon to perform.

The activities entrusted to each of them, of an investigative, consultative and propositional type, in favor of the Board of Directors were deemed compliant and in line with the principles and recommendations provided by the Corporate Governance Code.

## **1.4 Conclusions**

The Board of Directors deems its composition adequate, both in qualitative and quantitative terms, due to (i) the presence of a high degree of diversification of professional experience; (ii) the adequate functioning of the body itself, whose activities are carried out in an atmosphere of trust, collaboration and interaction between the members of the Board.

The outgoing Board of Directors proposes that the new administrative body remain in office for the three-year period 2022-2023-2024, ie until the approval of the financial statements as at 31 December 2024 by the Shareholders' Meeting.

Furthermore, the outgoing Board of Directors considered it unnecessary to define general criteria regarding the maximum number of administration and control offices in other companies that can be considered compatible with an effective performance of the role of Director of the Company, without prejudice to the duty of each Director to assess the compatibility of the offices of director and auditor, held in other companies listed on regulated markets, in financial, banking, insurance or large companies, with the diligent performance of the duties undertaken as a Director of the Company.

Finally, in compliance with the remuneration policy adopted by the Company, available on the website at [www.corporate.newlat.it](http://www.corporate.newlat.it) in the "Corporate Governance – Shareholders' Meeting" section, and submitted to the Shareholders' Meeting, the Board of Directors outgoing considered that the members of the

administrative body are given a remuneration that is appropriate to remunerate the role of Director in line with the policy of the Group.