

Press Release

Italian Corporate Governance Committee:

- new Corporate Governance Code recommendations on diversity, including by gender, for listed companies;
- announced Italy Corporate Governance Conference to be held in Milan on 10 and 11 December 2018

Milan, 17 July 2018 – Diversity, including by gender, is now addressed by the Italian Corporate Governance Code, on a comply-or-explain basis. The decision has been taken by the Corporate Governance Committee, held on July 16th 2018 in Milan, at Borsa Italiana, under the chairmanship of Maria Patrizia Grieco (Chair at Enel).

The previous edition of the Code (2015) has been amended in order to safeguard the positive effects of the “*Golfo-Mosca*” Law (nr. 120/2011), on the gender diversity balance in the composition of listed companies’ corporate bodies, even after the law will be no longer effective starting from 2020.

The amendments concern each of the three levels which the Code is based on: *principles, criteria* and *comment*.

The new *principle* recommends listed companies to apply diversity criteria, including by gender, in the composition of both the board of directors and the board of statutory auditors.

The relevant *criterion*, in achieving the objective of gender diversity balance, now asks for at least a “one-third quota” of the less represented gender in the board of directors and statutory auditors, so promoting the preservation, on a voluntary basis, of the “*Golfo-Mosca*” Law effects.

The *comment* to new recommendations envisages, through a typically flexible approach, a wide range of tools for achieving the “one-third quota” of board members. Companies may opt for one or more of the following tools, to be chosen also with a due consideration of company’s ownership structure: specific bylaws provisions, diversity policies, board’s guidelines to shareholders, a slate submitted by the board itself.

While identifying the principles that should drive shareholders and the board of directors for the best Board’s composition, the Committee has pointed out that diversity criteria, including by gender, are to be adopted consistently with the primary objective to ensure that any board member has adequate competence and professional skills.

In addition, the Committee, considering the evolution of international best practices, wishes for listed companies to adopt measures to promote equal treatment and opportunities regardless of gender within the company structure, monitoring their concrete implementation.

Listed companies are invited to apply the new Code’s recommendations starting from the first renewal of their corporate bodies, after the “*Golfo-Mosca*” Law expires. At the same meeting the Committee has decided to start a comprehensive revision of the Code, to be completed in 2019, aimed at rationalizing its structure and strengthening the role of governance in guiding companies towards long-term sustainable growth and fostering access to the market.

On 10 and 11 December 2018 *Italy Corporate Governance Conference* will be held in Milan. The Conference, promoted by the Committee and organized by Assogestioni and Assonime in cooperation

Italian Corporate Governance Committee

with OECD and with the support of Borsa Italiana, reached its fourth edition, and represents an important forum for an open dialogue on main corporate governance issues with an international outlook.

The Italian Corporate Governance Committee is composed of high representatives of promoters, listed companies and asset management companies and has changed with some new appointments: Stefania Bariatti, Chair at MPS, Fulvio Conti, Chair at TIM and Fabrizio Saccomanni, Chair at UniCredit.

Italian Corporate Governance Committee

Composition of the Italian Corporate Governance Committee: Carlo Acutis, Paolo Astaldi, Stefania Bariatti, Santo Borsellino, Innocenzo Cipolletta, Fulvio Conti, Tommaso Corcos (Deputy-Chair), Maria Bianca Farina, Gabriele Galateri di Genola, Fabio Galli, Luca Garavoglia, Andrea Ghidoni, Patrizia Grieco (Chair), Gian Maria Gros-Pietro, Raffaele Jerusalmi, Emma Marcegaglia, Alberto Minali, Stefano Micossi, Marcella Panucci, Giovanni Sabatini, Fabrizio Saccomanni, Maurizio Sella, Andrea Sironi, Massimo Tononi.