

Statistics and analyses

Report on corporate governance
of Italian listed companies



CONSOB
COMMISSIONE NAZIONALE
PER LE SOCIETÀ E LA BORSA

2019

This Report includes data on ownership and control structure, corporate boards, annual general meetings and related party transactions of Italian listed companies.

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- quantity identified as zero;
- the phenomenon does not exist;
- the phenomenon exists but the figures are unknown;
- .. the figures are below the significance threshold.

Rounding may cause deviation from total figure.

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La *corporate governance* delle società quotate italiane

Modelli di controllo e assetti proprietari

A fine 2018 la maggioranza delle società quotate italiane mostra, come di consueto, assetti proprietari concentrati, essendo controllate di diritto in 123 casi, da un azionista che detiene una quota di capitale inferiore al 50% in 57 casi e attraverso patti parasociali di controllo in 23 casi. Possono essere definiti a proprietà dispersa solo 13 emittenti, prevalentemente di grandi dimensioni e con una capitalizzazione complessiva pari a poco più di un quinto di quella di mercato.

Partecipazioni rilevanti degli investitori istituzionali

Gli investitori istituzionali sono presenti nell'azionariato rilevante di 62 società quotate italiane (60 nel 2017), pari a circa il 27% del mercato. Gli investitori istituzionali italiani sono azionisti rilevanti in 13 imprese, soprattutto di piccole dimensioni, mentre gli esteri detengono partecipazioni rilevanti in 51 emittenti, incluse società a medio-alta capitalizzazione.

L'evoluzione temporale delle quote detenute dagli istituzionali rilevanti, complessivamente pari a 79 a fine 2018, conferma, da un lato, la contrazione della presenza di banche e assicurazioni (soprattutto quelle italiane che registrano nel 2018 il valore minimo di otto partecipazioni) e, dall'altro, l'aumento delle quote di capitale riferibili agli investitori cosiddetti attivi (soprattutto esteri), quali *private equity*, *venture capital* e fondi sovrani, per i quali si registrano complessivamente 27 partecipazioni rilevanti, in crescita rispetto alle 19 a fine 2017.

Separazione fra proprietà e controllo

Continua a ridursi la percentuale di società italiane quotate appartenenti a gruppi piramidali o alla parte verticale di un gruppo misto, risultando pari a fine 2018 al 15,5% del listino. In queste imprese la differenza tra diritti di voto e diritti ai flussi cassa è in media pari a 12,7%, dato sostanzialmente stabile rispetto all'anno precedente.

Con riferimento alla deviazione dal principio 'un'azione, un voto', si conferma in calo il numero di società che emettono azioni di risparmio, pari a 14 a fine 2018, mentre aumenta il numero di emittenti che hanno introdotto il voto maggiorato. In particolare, tre imprese hanno emesso azioni a voto multiplo e 47 hanno previsto in statuto le *loyalty shares*; tra queste ultime, a fine 2018 gli azionisti hanno maturato la maggiorazione dei diritti di voto in 28 casi.

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In linea con gli anni precedenti, nel 2018 il modello tradizionale risulta il più adottato dalle società quotate italiane (227 emittenti corrispondenti al 92% della capitalizzazione di mercato). Nei *board* siedono in media 10 membri, metà dei quali indipendenti ai sensi del Codice di Autodisciplina e/o del Testo Unico della Finanza (Tuf). A fine 2018 gli amministratori di minoranza sono presenti nel 50% delle società quotate italiane (43,5% nel 2017); tale percentuale raggiunge l'86% nel caso delle Mid Cap.

Nella maggior parte degli organi di amministrazione delle società quotate siede almeno un consigliere cosiddetto *interlocker*, ossia titolare di incarichi di amministrazione in altri emittenti quotati (180 casi corrispondenti al 97% della capitalizzazione totale del mercato). Gli *interlockers* sono in prevalenza una minoranza del *board* (in 89 emittenti rappresentano meno del 25% del totale dei membri e in ulteriori 67 casi hanno un peso compreso tra il 25% e il 50%). Il fenomeno riguarda, in particolare, le imprese di medio-alta capitalizzazione, nei cui consigli siedono in media almeno 3 *interlockers* rappresentanti circa il 30% dell'organo.

Nel 2018 è aumentata la percentuale di società che hanno istituito il comitato nomine, con un corrispondente aumento del relativo peso in termini di capitalizzazione di mercato all'88% da circa l'81% nel 2017. Nello stesso periodo, è passato da 45 a 54 il numero di società che affidano a un comitato la supervisione delle questioni di sostenibilità, attraverso sia l'istituzione di un comitato ad hoc, sia il raggruppamento di diversi comitati, sia l'assegnazione di funzioni a un comitato preesistente.

Gli emittenti che hanno adottato un piano di successione raggiungono circa il 23% del listino dal 20% nel 2017, mentre rimane stabile all'86% la quota delle società che hanno effettuato l'autovalutazione annuale.

Al termine dell'ultima stagione assembleare (giugno 2019), la presenza femminile negli organi sociali delle imprese quotate italiane ha registrato nuovi massimi, superando rispettivamente il 36% e il 39% degli incarichi di amministrazione e di controllo. Tale dinamica è riferibile in larga misura alla Legge 120/2011 che, come noto, ha imposto un criterio di genere per la composizione degli organi sociali per i tre rinnovi successivi all'agosto 2012 (riservando un quinto dei posti al genere meno rappresentato per il primo rinnovo e un terzo dei posti per il secondo e il terzo rinnovo).

Governo societario, dimensione dei *board*, amministratori indipendenti e di minoranza

Interlocking

Comitati endoconsiliari

Board diversity

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Gli emittenti che hanno compiuto il secondo e il terzo rinnovo dell'organo amministrativo successivamente all'entrata in vigore della Legge, rispettivamente 113 e 62, registrano una presenza femminile nei *board* pari al 37%. Un dato simile si rileva in media sia nelle 26 società che hanno compiuto solo il primo rinnovo (con una quota femminile pari al 35%) sia nei 26 emittenti che non sono soggetti alla disciplina poiché sono neo-quotati ovvero hanno completato i tre rinnovi previsti dalla Legge 120/2011 (con una quota femminile pari a circa il 33% del *board*).

Le donne ricoprono la carica di amministratore delegato in 15 società, rappresentanti il 2,5% del mercato in termini di capitalizzazione, mentre presiedono il *board* in 25 emittenti, rappresentanti circa un terzo della capitalizzazione di mercato. Oltre il 72% delle donne sono amministratori indipendenti, percentuale in continua crescita dal 2013. Il numero di donne nominate dalle minoranze attraverso il sistema del voto di lista ha raggiunto nel 2019 il valore massimo di 68 amministratrici, presenti nel *board* di 56 società di grande dimensione (quasi tre quarti della capitalizzazione complessiva del mercato). In linea con l'anno precedente, nel 2019 il 34% delle amministratrici è titolare di incarichi nel *board* di altre società quotate; il dato mostra per la prima volta un arresto dell'aumento dell'*interlocking* femminile registrato dal 2013 (quando le donne *interlockers* erano circa il 19% del totale).

A seguito dell'entrata in vigore della Legge 120/2011 si sono modificate anche altre caratteristiche dei *board*, quali ad esempio il livello medio di istruzione e la diversificazione dei profili professionali degli amministratori, entrambi aumentati, e la presenza di membri legati all'azionista di controllo da rapporti di parentela (cosiddetti *family*), diminuita costantemente negli anni.

Le caratteristiche degli amministratori mostrano in media alcune differenze a seconda delle dimensioni e del settore di appartenenza delle società. In particolare, gli amministratori delle società del Ftse Mib sono mediamente più anziani (l'età media è 58 anni) e più frequentemente stranieri (10% dei casi), in possesso di un diploma di laurea (94% dei casi) e connotati da un profilo professionale manageriale (74% dei casi). Alcune differenze emergono anche a seconda del controllo. Ad esempio, i consiglieri delle società controllate da istituti finanziari risultano mediamente più giovani (53,7 anni), sono in prevalenza uomini (circa il 70% dei casi) e più frequentemente stranieri (23% dei casi).

Partecipazione degli azionisti alle assemblee

La partecipazione degli azionisti, soprattutto istituzionali, alle assemblee delle 100 società quotate a più elevata capitalizzazione si è confermata alta anche nel 2019. In particolare, a fronte di una partecipazione assembleare degli azionisti pari in media al 72% del capitale sociale, la presenza degli investitori istituzionali si è attestata, in linea con l'anno precedente, al 21% del capitale (circa 2% per gli investitori istituzionali italiani e 19% per quelli esteri).

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Il voto espresso sulla politica in materia di remunerazione costituisce un utile strumento di analisi dell'attivismo degli investitori istituzionali. Il 2019 ha registrato il più elevato dissenso nel cosiddetto *say-on-pay*, essendo i voti contrari e le astensioni (considerate nel presente Rapporto equivalenti a una manifestazione di dissenso) pari al 44% delle azioni detenute dagli istituzionali, 12 punti percentuali in più rispetto al 2012.

Il dissenso è marcatamente cresciuto tra le società appartenenti all'indice Ftse Mib, segnando un'inversione di tendenza rispetto alla riduzione osservata nel periodo 2012-16. In particolare, nel biennio 2018-19 il dissenso ha raggiunto il 37% dei voti istituzionali e il 12% dell'assemblea (27% e 9%, rispettivamente, nel 2016). Il dato è in aumento anche tra le società dell'indice Mid Cap, per le quali l'incidenza dei voti contrari e delle astensioni degli investitori istituzionali si è portata in media al 49% delle azioni detenute.

Benché si confermi inferiore rispetto agli altri settori, il dissenso degli investitori istituzionali è altresì cresciuto tra le imprese finanziarie, raggiungendo il 10% dell'assemblea e il 39% delle azioni complessivamente detenute, in netto aumento rispetto ai valori registrati nel biennio 2017-18, quando il disaccordo con la politica di remunerazione era stato espresso, rispettivamente, per il 33% e il 26% circa delle azioni detenute.

A partire dal 2011 sono stati pubblicati, ai sensi della regolamentazione adottata nel 2010 dalla Consob, 547 documenti informativi per operazioni di maggiore rilevanza con parti correlate (30 nel primo semestre del 2019). La maggior parte delle operazioni (52%) è rappresentata da finanziamenti o altri contratti aventi ad oggetto la fornitura di beni e servizi; oltre il 30% delle operazioni ha comportato il trasferimento di *asset* di lungo termine idonei a influire sulla capacità produttiva delle imprese mentre il restante 17% delle operazioni è rappresentato da fusioni, aumenti di capitale riservati e altre operazioni che hanno modificato la partecipazione relativa della parte correlata rispetto agli altri azionisti. Nell'82% dei casi, la controparte correlata dell'operazione è rappresentata da azionisti di controllo o in grado di esercitare un'influenza significativa.

Infine, dal 2011, la Consob ha ricevuto comunicazione di 216 operazioni di maggiore rilevanza che hanno beneficiato dell'esenzione dagli obblighi di pubblicazione del documento informativo in quanto ordinarie e a condizioni di mercato. La maggior parte di tali operazioni è posta in essere da società a elevata capitalizzazione e afferisce al *core business* dell'impresa che le ha comunicate (fornitura beni/servizi tipici per imprese non finanziarie e finanziamenti per banche, rispettivamente pari al 35% e al 31% delle operazioni ordinarie complessivamente comunicate).

Say-on-pay

Operazioni
con parti correlate

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Focus: politiche retributive e sostenibilità

L'approfondimento del presente Rapporto è dedicato alla relazione tra sostenibilità e politiche retributive di amministratori e dirigenti con responsabilità strategiche delle società italiane quotate.

Remunerazioni variabili degli amministratori

A fine 2018, 33 società italiane con azioni quotate collegano le remunerazioni variabili (di breve e/o di lungo termine) degli amministratori delegati ai cosiddetti parametri ESG (Environment, Social, Governance). Il collegamento si riferisce alle remunerazioni di breve termine in 32 casi e alla componente di lungo termine in nove casi.

Le società che prevedono compensi legati a fattori ESG appartengono prevalentemente al Ftse Mib (22 emittenti, pari al 65% dell'indice), seguite dalle imprese Mid Cap (nove casi) e del segmento Star (due casi).

Con riferimento alla tipologia di attività, 10 imprese appartengono al settore finanziario (di cui rappresentano il 20,4%), 15 al settore industriale (di cui rappresentano il 12%) e otto al settore dei servizi (sul quale pesano per il 14,5%).

L'integrazione di fattori di sostenibilità nelle remunerazioni è più diffusa nelle aziende a partecipazione statale (essendo presente in 14 società controllate dallo Stato e/o da autorità locali, pari al 61% delle imprese pubbliche), mentre registra il valore minimo tra le società a controllo familiare (nove casi, corrispondenti al 6% del segmento considerato).

Nelle 32 società che correlano la remunerazione variabile di breve termine degli amministratori delegati a fattori ESG, la componente retributiva dipendente dalla sostenibilità si attesta mediamente al 14%. I parametri presi in considerazione riguardano rispettivamente tematiche a sfondo sociale in 11 casi, sia sociale sia ambientale in otto casi ed esclusivamente ambientale in due casi. I fattori sociali sono in prevalenza relativi alla sicurezza sul lavoro (nove casi) e al capitale umano (sei casi), mentre quelli ambientali sono generici (quattro casi) o collegati alle emissioni di CO2 (tre casi). Due società vincolano la remunerazione variabile all'inclusione dell'emittente in un indice di sostenibilità specifico oppure all'acquisizione di un rating di sostenibilità.

Nelle nove società che prevedono per gli amministratori delegati remunerazioni di lungo termine collegate alla sostenibilità, la quota riferibile a fattori ESG rappresenta in media il 18% del totale. Solo in cinque casi è possibile riferire tali compensi a specifiche tematiche riconducibili, rispettivamente, a fattori ambientali (due casi), sociali (due casi), ovvero a entrambi (un caso). Due aziende, infine, associano il livello di remunerazione al posizionamento dell'emittente rispetto a uno specifico indice di sostenibilità.

Alcune società quotate italiane prevedono remunerazioni collegate a fattori ESG anche per gli altri amministratori esecutivi. In particolare, i temi correlati alla sostenibilità sono tenuti in considerazione ai fini delle remunerazioni di breve e di lungo periodo rispettivamente in sei imprese e in una società e per entrambe le tipologie di compensi in un emittente.

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Trenta società correlano le remunerazioni dei dirigenti con responsabilità strategiche a fattori ESG; tra queste, 27 prevedono remunerazioni 'sostenibili' anche per l'amministratore delegato.

La remunerazione di breve termine dei dirigenti con responsabilità strategiche è legata a parametri di sostenibilità in 28 aziende, rappresentando, in media, il 14% di tale tipologia di compenso. Le tematiche più frequentemente prese in considerazione sono quelle sociali, ossia sicurezza sul lavoro, capitale umano e soddisfazione della clientela. Come nel caso dei compensi degli amministratori delegati, la tematica ambientale più ricorrente è connessa alle emissioni di CO2.

La remunerazione di lungo termine dei dirigenti con responsabilità strategiche dipende da parametri di sostenibilità in sette società, attestandosi, in media, al 13% dei compensi di lungo periodo.

Remunerazioni variabili dei dirigenti
con responsabilità strategica

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Ownership and control structure

Italian listed firms by market capitalisation and industry

Control models and ownership structure

Major shareholdings of institutional investors

Control enhancing mechanisms

At the end of 2018, there are 231 Italian companies listed on the Italian Stock Exchange (Mercato telematico azionario, MTA), with an overall market capitalization slightly higher than 460 billion euros (Tab. 1.1). As for the distribution by sector, 127 firms are industrial companies, while 55 and 49 are respectively services and financial companies.

In line with historical evidence, concentrated ownership keeps prevailing among Italian listed companies. In details, firms are controlled by a shareholder owning a stake higher than half of the capital in 123 cases, through a stake lower than 50% in 57 cases (weakly controlled) and by a coalition of shareholders in 23 cases (Tab. 1.2). Only 13 companies (5.6% of the total number of listed firms, representing 20.5% of market capitalization) can be defined as widely held.

The average stake held by the largest shareholder is 48.3%, slightly higher than its 2010 level (46.2%) and in line with the value recorded in 1998 (48.7%; Tab. 1.3). The market holds an average stake of 39.5%, three percentage points higher than its 1998 level.

Family firms account for almost 66% of the market. They are mainly small companies, belonging to the Star index or not included in any index. The State and other local authorities are the main shareholders in one firm out of ten, mainly large companies operating in the service sector. In 16.4% of the cases it is not possible to identify an ultimate controlling agent, being the firm widely held or controlled by a non-controlled company (Tab. 1.4 - Tab. 1.6).

Major ownership by institutional investors has slightly increased over 2018. Institutional investors hold major shareholdings (i.e., above the ownership disclosure threshold) in 62 Italian listed companies (60 at the end of 2017), accounting for approximately 27% of the market, with an average share of capital equal to 7.6%. Major institutional ownership is referable to Italian investors in 13 listed companies and to foreign investors in 51 companies (Tab. 1.7).

Italian institutional investors more frequently hold stakes in small-sized firms, while foreign investors are major shareholders in companies of different size and industry (Tab. 1.8 - Tab. 1.9).

In 2018, the number of stakes held by institutional investors has increased to 79 from 76 in 2017. Data confirm the decline in the number of major holdings owned by banks and insurance companies, especially by Italian ones, and the increase in the stakes held by active investors such as private equity, venture capital and sovereign funds, especially foreign ones (Tab. 1.10-Tab. 1.12).

At the end of 2018, 81% of the Italian listed firms do not belong to any group. This value is higher than both its long run (56% in 1998) and its medium run values (75.6% in 2010). The percentage of firms belonging to a pyramidal group is 12% (in line with the previous year), while the proportion

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of firms belonging to the vertical part of a mixed group is 3.5% (4.3% in 2017). Only 2.2% of companies belong to a horizontal group (Tab. 1.13).

As for the issuers belonging to a vertical group, the degree of separation between ownership and control was measured by comparing voting rights and cash flow rights held by the largest shareholder. In details, both the ratio (leverage) and the difference (wedge) between voting rights and cash flow rights show a reduction over both their medium and long run values: at the end of 2018 the average leverage is 1.6 (1.9 in 2010 and 3.5 in 1998) while the average wedge is equal to 12.7% (16.8% in 2010 and 24.2% in 1998; Tab. 1.14).

As for deviations from the principle 'one-share-one-vote', the adoption of non-voting shares continues to decline while the introduction of loyalty shares and multiple voting shares is occurring at a slow pace. In details, at the end of 2018 saving shares are in place only in 14 companies, while preference shares have disappeared (Tab. 1.15). The subgroup of the 33 firms controlled by another listed company and/or issuing non-voting shares displays an average wedge equal to 17.3% (Tab. 1.16). Three firms have provided for a category of multiple voting shares and 47 issuers have introduced loyalty shares in their bylaws. Loyalty shares have vested their increased voting power (active loyalty shares) in 28 firms, where the leverage and the wedge are equal respectively to 1.3 and to 12% (Tab. 1.17-Tab. 1.18).

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Tab. 1.1 – Market capitalisation of Italian listed companies by industry
(end of 2018)

	companies		capitalisation ¹			
	no.	%	mean	median	total	%
financial	49	21.2	2,789	597	136,696	29,7
industrial	127	55.0	1,588	207	201,798	43,9
services	55	23.8	2,212	224	121,685	26,4
<i>total</i>	<i>231</i>	<i>100.0</i>	<i>1,992</i>	<i>245</i>	<i>460,179</i>	<i>100.0</i>

Source: Borsa Italiana spa. Data on Italian companies with ordinary shares listed on Borsa Italiana spa – Mta Stock Exchange. Industry classification by Borsa Italiana spa. ¹ Capitalisation of the ordinary shares of Italian listed companies (millions of euro).

Tab. 1.2 – Control model of Italian listed companies
(end of the year)

	controlled companies						non-controlled companies						total	
	majority controlled ¹		weakly controlled ²		controlled by a shareholders' agreement ³		cooperative companies		widely held ⁴		non-widely held ⁵		no.	% market cap ⁶
	no.	% market cap ⁶	no.	% market cap ⁶	no.	% market cap ⁶	no.	% market cap ⁶	no.	% market cap ⁶	no.	% market cap ⁶		
1998	122	31.2	33	21.8	28	8.3	10	3.1	10	24.1	13	11.5	216	100.0
2010	128	20.6	53	43.0	51	12.4	8	3.4	11	20.3	19	0.3	270	100.0
2011	123	22.3	55	45.8	48	12.0	8	3.2	8	16.4	18	0.3	260	100.0
2012	125	22.8	49	44.0	42	10.1	8	3.2	10	19.2	17	0.7	251	100.0
2013	122	24.1	48	40.1	38	10.4	8	3.3	10	21.6	18	0.5	244	100.0
2014	116	25.0	51	36.8	32	9.6	8	4.0	13	24.0	18	0.5	238	100.0
2015	115	28.1	52	34.8	30	6.0	7	3.2	15	27.3	15	0.6	234	100.0
2016	116	27.2	53	43.6	29	6.5	4	1.3	14	20.6	14	0.7	230	100.0
2017	120	29.8	57	39.8	22	5.3	2	0.5	16	23.5	14	1.1	231	100.0
2018	123	29.7	57	42.3	23	5.3	2	0.5	13	20.5	13	1.6	231	100.0

Source: Consob. Data on Italian companies with ordinary shares listed on Borsa Italiana spa – Mta Stock Exchange. ¹ Companies not controlled by a shareholders' agreement where a single shareholder owns more than half of the ordinary shares. ² Companies neither controlled by a shareholders' agreement nor majority controlled, included in one of the following categories: i) a single shareholder holds at least 30% of the ordinary shares; ii) a single shareholder holds a stake a) higher than 20% of the ordinary shares and b) higher than half of the sum of the ordinary shares held by all the major shareholders. ³ Companies not controlled by a single shareholder that are controlled by either a shareholders' agreement regarding more than 20% of the ordinary shares or an unlisted company where a shareholders' agreement regarding the majority of the capital is in force. ⁴ Companies neither controlled by a single shareholder (majority controlled and weakly controlled) nor by a shareholders' agreement, with a free float higher than 70% of the ordinary shares. ⁵ Non-controlled companies not included in any of the previous models. ⁶ Market value of ordinary shares of companies in each group in percentage of the market capitalisation of ordinary shares of all listed companies.

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Tab. 1.3 – Ownership concentration in Italian listed companies
(end of the year)

	largest shareholder ¹		other major shareholders ²		market ³		controlling share ⁴	
	simple mean	weighted mean ⁵	simple mean	weighted mean ⁵	simple mean	weighted mean ⁵	simple mean	weighted mean ⁵
1998	48.7	34.7	14.7	10.0	36.5	55.3	51.7	35.0
2010	46.2	34.0	17.7	13.5	36.1	52.5	49.6	34.6
2011	46.1	35.7	17.6	11.4	36.3	52.9	49.7	35.7
2012	46.8	34.8	16.9	9.4	36.4	55.8	49.6	34.4
2013	46.8	34.8	16.5	10.2	36.7	55.0	48.9	34.2
2014	46.0	34.5	16.5	9.2	37.5	56.3	48.0	33.3
2015	46.7	33.9	15.0	9.6	38.3	56.5	48.5	32.2
2016	46.9	34.0	12.8	7.2	40.3	58.9	48.8	33.2
2017	47.7	34.7	12.0	7.4	40.4	57.9	48.8	33.8
2018	48.3	36.5	12.2	6.4	39.5	57.1	49.2	35.7

Source: Consob. Data on Italian companies with ordinary shares listed on Borsa Italiana spa - Mta Stock Exchange. Cooperatives are excluded.

¹ Mean of the ordinary shares held by the largest shareholder of all Italian listed companies. ² Mean of the ordinary shares held by all major shareholders other than the largest. ³ Mean of the ordinary shares not held by major shareholders (i.e., by shareholders with less than 2%).

⁴ Mean of the ordinary shares held by the largest shareholder in companies not controlled by a shareholders' agreement and of the ordinary shares held by the coalition in companies controlled by a shareholders' agreement. The controlling stake is assumed to be zero in widely held companies.

⁵ Weighted by the market value of ordinary shares.

Tab. 1.4 – Identity of the 'ultimate controlling agent' (UCA) in Italian listed companies
(end of the year)

	families			State and local authorities			financial institutions			mixed ¹			no UCA ²		
	no.	weight ³	% market cap ⁴	no.	weight ²	% market cap ³	no.	weight ²	% market cap ³	no.	weight ²	% market cap ³	no.	weight ²	% market cap ³
2012	152	60.6	26.4	22	8.8	41.7	9	3.6	0.6	20	8.0	6.8	48	19.1	24.5
2013	149	61.1	29.7	21	8.6	34.7	9	3.7	0.7	16	6.6	7.2	49	20.0	27.8
2014	145	60.9	27.7	19	8.0	32.2	11	4.6	0.9	16	6.7	7.5	47	19.7	31.7
2015	143	61.1	29.2	19	8.1	30.4	10	4.3	0.9	14	6.0	3.6	48	20.5	35.9
2016	146	63.5	33.3	21	9.1	35.9	10	4.3	0.8	12	5.2	3.6	41	17.8	26.5
2017	145	62.8	33.5	23	10.0	34.0	14	6.1	0.9	7	3.0	2.6	42	18.2	29.0
2018	152	65.8	33.0	23	10.0	37.8	11	4.8	0.4	7	3.0	1.9	38	16.4	27.0

Source: Consob. Data on Italian companies with ordinary shares listed on Borsa Italiana spa - Mta Stock Exchange. ¹ Companies not included in any of the previous category (e.g., companies controlled by both financial institutions and families). ² Non-controlled companies (i.e., cooperative companies, widely held, and non-widely held firms – see Tab. 1.2) and listed companies controlled by a non-controlled company. ³ Number of companies in percentage of the total number of companies. ⁴ Market value of ordinary shares of companies in percentage of market capitalisation of ordinary shares of all companies.

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Tab. 1.5 – Identity of the 'ultimate controlling agent' (UCA) in Italian listed companies by market index
(end of 2018)

	Ftse Mib			Mid Cap ¹			Star ¹			other			total		
	no.	weight ²	% market cap ²	no.	weight ²	% market cap ²	no.	weight ²	% market cap ²	no.	weight ²	% market cap ²	no.	weight ²	% market cap ²
families	12	35.3	18.9	18	50.0	50.0	50	70.4	74.1	72	80.0	95.7	152	65.8	33.0
State and local authorities	10	29.4	47.1	7	19.4	26.4	4	5.6	5.5	2	2.2	1.4	23	10.0	37.8
financial institutions	0	0.0	0.0	1	2.8	1.3	2	2.8	1.3	8	8.9	1.3	11	4.8	0.4
mixed ⁴	1	2.9	2.0	1	2.8	2.8	2	2.8	1.4	3	3.3	0.2	7	3.0	1.9
no UCA ⁵	11	32.4	32.1	9	25.0	19.5	13	18.3	17.7	5	5.5	1.4	38	16.4	27.0

Source: Consob. Data on Italian companies with ordinary shares listed on Borsa Italiana spa - Mta Stock Exchange. ¹ Companies both in the Star and in the Mid Cap indexes are included only in the Star category. ² Number of companies in each group in percentage of the total number of companies included in each market index. ³ Market value of ordinary shares of companies in each group in percentage of market capitalisation of ordinary shares of all companies included in each market index. ⁴ Companies not included in any of the previous category (e.g., companies controlled by both financial institutions and families). ⁵ Non-controlled companies (i.e., cooperative companies, widely held, and non-widely held firms – see Tab. 1.2) and listed companies controlled by a non-controlled company.

Tab. 1.6 – Identity of the 'ultimate controlling agent' (UCA) in Italian listed companies by industry
(end of 2018)

	financial			industrial			services			total		
	no.	weight ¹	% market cap ²	no.	weight ¹	% market cap ²	no.	weight ¹	% market cap ²	no.	weight ¹	% market cap ²
families	16	32.7	2.9	99	78.0	54.0	37	67.3	31.9	152	65.8	33.0
State and local authorities	2	4.1	7.9	10	7.9	40.3	11	20.0	67.4	23	10.0	37.8
financial institutions	5	10.2	0.9	4	3.1	0.0	2	3.6	0.3	11	4.8	0.4
mixed	6	12.2	6.3	0	0.0	0.0	1	1.8	0.0	7	3.0	1.9
no UCA	20	40.8	81.9	14	11.1	5.8	4	7.3	0.3	38	16.4	27.0

Source: Consob. Data on Italian companies with ordinary shares listed on Borsa Italiana spa - Mta Stock Exchange. Industry classification by Borsa Italiana spa. For the definition of UCA see Tab. 1.5. ¹ Number of companies in each group in percentage of the total number of companies included in each industry. ² Market value of ordinary shares of companies in each group in percentage of market capitalisation of ordinary shares of all companies included in each industry.

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Tab. 1.7 – Major institutional investors' shareholdings in Italian listed companies
(end of the year)

	at least one institutional investor			at least one Italian institutional investor			at least one foreign institutional investor		
	no. of companies	weight ¹	mean shareholding ²	no. of companies	weight ¹	mean shareholding ²	no. of companies	weight ¹	mean shareholding ²
2010	78	28.9	8.0	47	17.4	6.8	39	14.4	7.7
2011	75	28.8	7.7	48	18.5	6.7	36	13.8	7.1
2012	67	26.7	8.5	39	15.5	7.0	38	15.1	7.9
2013	66	27.0	7.7	32	13.1	6.9	41	16.8	7.0
2014	74	31.1	7.7	27	11.3	7.6	55	23.1	6.6
2015	68	29.1	7.9	18	7.7	7.8	53	22.6	7.5
2016	61	26.4	7.5	14	6.1	6.9	50	21.6	7.2
2017	60	26.0	7.7	12	5.2	7.6	51	22.1	7.3
2018	62	26.8	7.6	13	5.6	6.9	51	22.1	7.5

Source: Consob. Data on Italian listed companies with ordinary shares listed on Borsa Italiana spa – Mta Stock Exchange. Major institutional investors are defined as investment funds, banks and insurance companies subject to reporting obligations according to Consob rules and whose shareholdings are lower than 10% (for the purpose of this Report, investors holding more than 10% of a company's capital are not classified as institutional). In 2016, Legislative Decree no. 25 of 15th February 2016 raised from 2% to 3% the threshold for initial ownership disclosure. To grant comparability of data over time, 2010-2015 figures have been recalculated based on the newly introduced 3% threshold. Moreover, data take into account the waivers from ownership disclosure applicable to certain type of investors (art. 119 bis, par. 7 and 8 of the Issuers Regulation). Firstly, asset managers have been exempted from reporting obligation concerning the initial threshold pursuant to Consob Resolution no. 16850, adopted on 1st April 2009; ownership disclosure consequently applies to holdings higher than 5% of a company's capital. Later, pursuant to Consob Resolution no. 18214, adopted on 9th May 2012, the exemption has been widened to include also alternative funds such as private equity and venture capital. Consequently, in order to make the series comparable over time, shareholdings by asset managers, private equity and venture capital are included if higher than 5%, while other investors are included if their stake is higher than the initial disclosure threshold of 3%. ¹ Number of companies in each group in percentage of the total number of companies. ² Simple mean of shareholdings by institutional investors in all listed companies where at least one institutional investor of the relevant category is present.

Tab. 1.8 – Major institutional investors' shareholdings in Italian listed companies by market index
(end of 2018)

	at least one institutional investor			at least one Italian institutional investor			at least one foreign institutional investor		
	no. of companies	weight ¹	mean shareholding ²	no. of companies	weight ¹	mean shareholding ²	no. of companies	weight ¹	mean shareholding ²
Ftse Mib	10	29.4	7.2	1	2.9	4.3	10	29.4	6.8
Mid Cap ³	15	41.7	9.1	3	8.3	9.1	12	33.3	9.1
Star ³	23	32.9	7.2	2	2.9	6.0	22	31.4	7.0
other	14	15.4	7.0	7	7.7	6.6	7	7.7	7.3
<i>total</i>	<i>62</i>	<i>26.8</i>	<i>7.6</i>	<i>13</i>	<i>5.6</i>	<i>6.9</i>	<i>51</i>	<i>22.1</i>	<i>7.5</i>

Source: Consob. Data on Italian listed companies with ordinary shares listed on Borsa Italiana spa – Mta Stock Exchange. For the definition of major institutional investors see Tab. 1.7. ¹ Number of companies in each group in percentage of the total number of companies. ² Simple mean of shareholdings by institutional investors in all listed companies where at least one institutional investor of the relevant category is present. ³ Companies both in the Star and in the Mid Cap indexes are included only in the Star category.

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Tab. 1.9 – Major institutional investors' shareholdings in Italian listed companies by industry
(end of 2018)

	at least one institutional investor			at least one Italian institutional investor			at least one foreign institutional investor		
	no. of companies	weight ¹	mean shareholding ²	no. of companies	weight ¹	mean shareholding ²	no. of companies	weight ¹	mean shareholding ²
financial	13	26.0	8.1	3	6.0	6.8	10	20.0	8.5
industrial	31	24.8	8.0	5	4.0	6.3	27	21.6	8.0
services	18	32.1	6.7	5	8.9	7.6	14	25.0	5.9
total	62	26.8	7.6	13	5.6	6.9	51	22.1	7.5

Source: Consob. Data on Italian listed companies with ordinary shares listed on Borsa Italiana spa - Mta Stock Exchange. For the definition of major institutional investors see Tab. 1.7. ¹ Number of companies in each group in percentage of the total number of companies. ² Simple mean of shareholdings by institutional investors in all listed companies where at least one institutional investor of the relevant category is present.

Tab. 1.10 – Stakes held by major institutional investors in Italian listed companies
(end of the year)

	asset managers		banks and insurance companies		private equity, venture capital and sovereign funds		total	
	no. of stakes ¹	mean stake ²	no. of stakes ¹	mean stake ²	no. of stakes ¹	mean stake ²	no. of stakes ¹	mean stake ²
2010	35	6.3	56	5.3	16	6.7	107	5.8
2011	29	5.9	55	5.3	18	6.5	102	5.7
2012	30	6.4	51	5.3	17	6.3	98	5.8
2013	33	6.3	41	5.4	12	6.5	86	5.9
2014	45	6.3	40	5.2	13	6.1	98	5.8
2015	55	6.1	24	5.1	13	6.1	92	5.8
2016	44	6.5	12	6.4	19	5.0	75	6.1
2017	46	6.0	11	6.8	19	6.1	76	6.1
2018	44	5.7	8	6.7	27	6.2	79	6.0

Source: Consob. Data on Italian listed companies with ordinary shares listed on Borsa Italiana spa - Mta Stock Exchange. For the definition of major institutional investors see Tab. 1.7. ¹ Number of stakes held by major institutional investors. ² Simple mean of stakes held by major institutional investors.

Tab. 1.11 – Stakes held by major Italian institutional investors in Italian listed companies
(end of the year)

	asset managers		banks and insurance companies		private equity, venture capital and sovereign funds		total	
	no. of stakes ¹	mean stake ²	no. of stakes ¹	mean stake ²	no. of stakes ¹	mean stake ²	no. of stakes ¹	mean stake ²
2010	5	6.3	44	5.3	9	6.4	58	5.5
2011	5	6.3	46	5.2	8	6.5	59	5.5
2012	3	6.0	42	5.2	5	6.8	50	5.4
2013	1	5.1	36	5.3	4	6.0	41	5.4
2014	1	5.1	33	5.3	4	6.2	38	5.4
2015	3	6.4	19	5.4	3	6.5	25	5.6
2016	4	6.0	8	7.2	2	7.4	14	6.9
2017	4	7.3	7	6.8	2	7.4	13	7.0
2018	5	6.2	5	6.7	4	6.2	14	6.4

Source: Consob. Data on Italian listed companies with ordinary shares listed on Borsa Italiana spa - Mta Stock Exchange. For the definition of major institutional investors see Tab. 1.7. ¹ Number of stakes held by major institutional investors. ² Simple mean of stakes held by major institutional investors.

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Tab. 1.12 – Stakes held by major foreign institutional investors in Italian listed companies
(end of the year)

	asset managers		banks and insurance companies		private equity, venture capital and sovereign funds		total	
	no. of stakes ¹	mean stake ²	no. of stakes ¹	mean stake ²	no. of stakes ¹	mean stake ²	no. of stakes ¹	mean stake ²
2010	30	6.3	12	5.4	7	6.9	49	6.2
2011	24	5.8	9	5.7	10	6.6	43	6.0
2012	27	6.4	9	5.8	12	6.1	48	6.2
2013	32	6.4	5	5.7	8	6.7	45	6.3
2014	44	6.3	7	4.7	9	6.0	60	6.1
2015	52	6.1	5	4.1	10	6.0	67	5.9
2016	40	6.5	4	4.9	17	4.7	61	5.9
2017	42	5.9	4	6.8	17	5.9	63	5.9
2018	39	5.7	3	6.6	23	6.2	65	5.9

Source: Consob. Data on Italian listed companies with ordinary shares listed on Borsa Italiana spa - Mta Stock Exchange. For the definition of major institutional investors see Tab. 1.7. ¹ Number of stakes held by major institutional investors. ² Simple mean of stakes held by major institutional investors.

Tab. 1.13 – Corporate groups in Italian listed companies
(end of the year)

	horizontal group	pyramidal group		mixed group			stand-alone companies		
		of which: parent company	subsidiary	of which: parent company	subsidiary	horizontal structure			
number of companies¹									
1998	5.1	36.1	13.4	22.7	2.8	0.5	1.9	0.5	56.0
2010	4.4	15.6	6.7	8.9	4.4	1.1	1.9	1.5	75.6
2011	5.4	16.2	6.2	9.2	4.6	1.2	1.9	1.5	73.8
2012	3.2	17.1	6.8	10.4	4.4	1.2	2.0	1.2	75.3
2013	3.3	15.2	6.1	9.0	6.1	2.0	2.5	1.6	75.4
2014	3.4	14.7	6.7	8.0	6.3	1.7	2.5	2.1	75.6
2015	0.9	13.7	6.4	7.3	6.4	1.7	2.6	2.1	79.1
2016	0.9	13.0	6.1	7.0	5.2	1.3	2.2	1.7	80.9
2017	--	12.1	5.6	6.5	6.5	1.7	2.6	2.2	81.4
2018	2.2	12.1	5.6	6.5	4.8	1.3	2.2	1.3	81.0
market capitalisation²									
1998	6.1	75.0	50.9	24.1	3.2	2.5	0.5	0.2	15.6
2010	2.1	43.4	29.6	13.8	15.8	10.9	2.4	2.4	38.7
2011	1.8	51.6	31.4	14.0	17.1	11.6	3.0	2.4	29.6
2012	1.5	60.1	44.3	15.8	4.5	3.2	0.5	0.7	33.9
2013	1.5	33.3	26.1	7.2	25.8	19.6	2.3	3.9	39.5
2014	1.5	43.2	36.9	6.3	22.5	16.9	1.5	4.1	32.8
2015	..	40.6	33.8	6.8	19.5	14.5	1.2	3.8	39.9
2016	0.1	38.6	33.4	5.2	6.5	5.2	0.6	0.6	54.8
2017	--	36.9	32.4	4.5	7.8	5.3	1.6	0.8	55.3
2018	0.8	36.0	31.6	4.4	5.9	3.9	1.5	0.5	57.3

Source: Consob. Data on Italian companies with ordinary shares listed on Borsa Italiana spa - Mta Stock Exchange. Companies belonging to horizontal groups are those under the control of a single unlisted firm and are not linked to each other by controlling relationships; in pyramidal groups at least one listed company controls another listed company; mixed groups combine the two previous structures. ¹ Number of companies in each group in percentage of the total number of all listed companies. ² Market value of ordinary shares of companies in each group in percentage of market capitalisation of ordinary shares of all listed companies.

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Tab. 1.14 – Separation between ownership and control in Italian listed companies belonging to pyramidal or mixed groups
(end of the year)

	companies belonging to pyramidal or mixed groups			leverage ¹			wedge ²		
	mean	min	max	mean	min	max	mean	min	max
1998	3.3	2.0	6.0	3.5	1.0	24.7	24.2	0.0	70.8
2010	2.9	2.0	5.0	1.9	1.0	6.5	16.8	0.0	65.7
2011	3.1	2.0	5.0	2.2	1.0	11.6	17.1	0.0	65.7
2012	3.1	2.0	5.0	2.3	1.0	13.0	17.9	0.0	65.7
2013	3.1	2.0	5.0	2.3	1.0	15.1	16.9	0.0	65.7
2014	2.9	2.0	5.0	1.8	1.0	6.8	15.9	0.0	66.3
2015	2.8	2.0	5.0	1.6	1.0	4.2	12.8	0.0	51.5
2016	2.8	2.0	5.0	1.7	1.0	5.8	13.6	0.0	49.7
2017	2.9	2.0	5.0	1.6	1.0	5.8	12.3	0.0	56.7
2018	2.7	2.0	5.0	1.6	1.0	4.5	12.7	0.0	61.7

Source: Consob. Data on Italian companies with ordinary shares listed on Borsa Italiana spa - Mta Stock Exchange. ¹ Ratio between the units of capital controlled (on the basis of voting rights in ordinary shareholders' meetings) and the units of capital owned (on the basis of cash flow rights pertaining to the controlling shareholder). ² Difference between the units of capital controlled (on the basis of voting rights in ordinary shareholders' meetings) and the units of capital owned (on the basis of cash flow rights pertaining to the controlling shareholder).

Tab. 1.15 – Italian listed companies issuing non-voting shares
(end of the year)

	savings shares			preference shares			all non-voting shares		
	no.	weight ¹	% share capital ²	no.	weight ³	% share capital ⁴	no.	weight ⁵	% share capital ⁶
1992	104	36.9	10.8	25	8.9	3.2	120	42.6	14.0
1998	69	31.9	8.2	10	4.6	1.1	70	32.4	9.4
2010	36	13.3	5.3	5	1.8	1.7	37	13.7	7.0
2011	36	13.8	5.5	6	2.3	1.5	37	14.2	7.0
2012	31	12.3	4.7	3	1.2	0.2	32	12.6	4.9
2013	27	11.1	4.9	1	0.4	0.2	28	11.5	5.1
2014	22	9.2	3.6	1	0.4	0.1	23	9.7	3.8
2015	19	8.1	3.6	--	--	--	19	8.1	3.6
2016	18	7.8	5.0	--	--	--	18	7.8	5.0
2017	17	7.4	3.8	--	--	--	17	7.4	3.8
2018	14	6.1	3.2	--	--	--	14	6.1	3.2

Source: Consob. Data on Italian companies listed on Borsa Italiana spa - Mta Stock Exchange. ¹ Number of companies with savings shares in percentage of the total number of listed companies. ² Savings shares in percentage of share capital. ³ Number of companies with preference shares in percentage of the total number of listed companies. ⁴ Preference shares in percentage of share capital. ⁵ Number of companies with non-voting shares in percentage of the total number of listed companies. ⁶ Non-voting shares in percentage of share capital.

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Tab. 1.16 – Control enhancing mechanisms in Italian listed companies controlled by another listed company and/or issuing non-voting shares
(end of the year)

		no. of companies	weight ¹	% market cap ²	average cash flow rights	average voting rights	average wedge ³
	2012	55	21.9	34.7	33.4	51.6	19.2
	2013	50	20.5	30.0	32.4	51.1	18.7
	2014	45	18.9	29.9	32.2	51.4	19.2
	2015	41	17.5	28.4	35.8	52.0	16.2
	2016	34	14.8	21.5	36.9	54.1	17.2
	2017	37	16.0	24.7	35.9	51.9	16.0
	2018	33	14.3	8.5	37.3	54.6	17.3
<i>of which</i>	<i>financial</i>	7	14.3	9.8	34.5	44.0	9.6
	<i>industrial</i>	19	15.0	6.9	40.1	59.2	19.1
	<i>services</i>	7	12.7	10.0	32.4	52.7	20.3

Source: Consob. Data on Italian companies with ordinary shares listed on Borsa Italiana spa - Mta Stock Exchange. Industry classification by Borsa Italiana spa. ¹ Number of companies envisaging control enhancing mechanisms in each group in percentage of the total number of listed companies included in each industry. ² Market value of ordinary shares of companies envisaging control enhancing mechanisms in each group in percentage of the market value of ordinary shares of all companies included in each industry. ³ Difference between the units of capital controlled (on the basis of voting rights in ordinary shareholders' meetings) and the units of capital owned (on the basis of cash flow rights pertaining to the controlling shareholder).

Tab. 1.17 – Loyalty shares and multiple voting shares in Italian listed companies by industry and market index
(end of 2018)

		industry			market index				total
		financial	industrial	services	Ftse Mib	Mid Cap ¹	Star ¹	other	
loyalty shares	no. of companies	5	30	12	4	6	23	14	47
	% market cap ²	0.9	14.6	12.6	5.6	23.6	38.2	3.9	10.0
multiple voting shares	no. of companies	--	3	--	--	--	3	--	3
	% market cap ²	--	0.6	--	--	--	4.0	--	0.3

Source: Consob. The table refers to companies that either introduced in their bylaws loyalty shares, pursuant to article 127-*quinquies* of Consolidated Law on Finance (Tuf), or issued multiple voting shares, pursuant to article 127-*sexies*, Tuf. Industry classification by Borsa Italiana spa. ¹ Companies both in the Star and in the Mid Cap indexes are included only in the Star category. ² Market value of ordinary shares of companies that have introduced loyalty shares and/or multiple voting shares in percentage of market value of ordinary shares of all companies included in each group.

Tab. 1.18 – Active loyalty shares in Italian listed companies by industry
(end of 2018)

	no. of companies ¹	average voting rights	average cash flow rights	leverage ²			wedge ³		
				mean	min	max	mean	min	max
financial	2	71.6	61.3	1.2	1.2	1.2	10.3	9.5	11.1
industrial	18	57.4	43.9	1.3	1.0	1.7	13.5	1.6	20.0
services	8	58.8	49.7	1.2	1.0	1.4	9.2	0.0	18.0
<i>total</i>	<i>28</i>	<i>59.0</i>	<i>47.0</i>	<i>1.3</i>	<i>1.0</i>	<i>1.7</i>	<i>12.0</i>	<i>0.0</i>	20.0

Source: Consob. Data on Italian companies with ordinary shares listed on Borsa Italiana spa - Mta Stock Exchange. ¹ Data on voting rights and cash flow rights are not available in 4 cases. ² Ratio between the units of capital controlled (on the basis of voting rights in ordinary shareholders' meetings) and the units of capital owned (on the basis of cash flow rights pertaining to the controlling shareholder). ³ Difference between the units of capital controlled (on the basis of voting rights in ordinary shareholders' meetings) and the units of capital owned (on the basis of cash flow rights pertaining to the controlling shareholder).

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Corporate boards

Board size, independent and minority directors

The traditional management and control system remains by far the most widely adopted by Italian listed companies, representing 92% of market capitalization at the end of 2018 (Tab. 2.1).

Corporate boards count on average 10 members, who are independent by the Corporate Governance Code and/or the Consolidated Law on Finance (Tuf) in almost half of the cases. Minority directors weigh on average about 9% of the board and at the end of 2018 are present in half of the Italian listed companies (this percentage reaches around 86% for Mid Cap companies; Tab. 2.2 - Tab. 2.5).

Interlocking

Corporate boards record at least one member holding multiple directorships (interlocker) in 180 companies, representing 97% of total market capitalisation. Interlockers particularly sit in Ftse Mib and Mid Cap firms, where they hold more than three board seats and account respectively for 27% and 32% of the board size. In most cases, interlockers are a minority within the board, as they weigh less than 25% of the total number of directors in 89 firms and between 25% and 50% in 67 cases (Tab. 2.6 and Tab. 2.7).

Board committees

Over 2018, both the nomination and the sustainability committees have become more widespread, while the remuneration and the internal control and risk management committees have recorded the opposite trend.

In details, the number of companies establishing the nomination committee has increased to 142 from 134 in the previous year (i.e., in terms of market capitalization to 88% from around 81%).

Over the same period, the number of firms entrusting the supervision of sustainability issues to a committee has risen up to 54 from 45 (i.e., to slightly more than 67% from around 61% in terms of total market value). Almost half of these firms are Ftse Mib companies following the recommendation on the establishment of a sustainability committee that the Corporate Governance Code explicitly addresses to the issuers belonging to this market index. In 48 cases the sustainability committee is combined with other committees. The average number of members is 3.4 (3.6 in Ftse Mib firms, varying from 3.2 in family firms to 3.9 in State-owned companies). The average number of independent directors is 2.9 (3.1 in Ftse Mib firms, corresponding to a proportion of 87% of the whole committee, peaking 90% in non-controlled companies). Finally, 20.8% of the directors who are members of a sustainability committee in Ftse Mib firms declare to have specific skills on sustainability issues (Tab. 2.8 - Tab. 2.13).

The proportion of companies adopting a succession plan keeps steadily rising (about 23% at the end of 2018 from 20% in 2017), while the percentage of firms carrying out the annual board self-assessment remains stable around 86% (Tab. 2.14).

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Over 2011-2018 the characteristics of the board of statutory auditors have remained substantially stable as for size (on average around three members), and presence of minority auditors (on average one member) observed in almost 54% of companies from 35% in 2011. Board meetings are on average more frequent among financial companies (almost 23 in 2018 versus around 10 and 12 among industrial and service firms, respectively; Tab. 2.15).

As in previous years, the average attendance to board meetings in 2018 was 92.7%, with the greatest participation recorded in Ftse Mib firms and in State owned companies (Tab. 2.16 and Tab. 2.17).

As for director's attributes, board members are aged on average 56.6 years, are foreigners in almost 7% of the cases, hold a first degree (mainly in Economics) in about 89% of the cases and have a managerial background in about 69% of the cases. The proportion of family directors is slightly higher than 16% (almost 26% in family-owned companies).

Directors' attributes show a certain variability across industrial sectors and firm size. On average, directors sitting in the board of financial firms and Ftse Mib companies are older and more educated, while the highest proportion of foreign members is found in the service sector and among Ftse Mib firms. The managerial professional background is more frequent in the industrial sector and in large companies (Tab. 2.16 and Tab. 2.18). As for board diversity by the identity of the ultimate controlling agent (UCA), companies controlled by financial institutions display directors who on average are younger, more educated, mainly male and more often foreigner than other firms (Tab. 2.17).

At the end of last proxy season (June 2019) women serving as directors and internal auditors account for more than 36% and 39% respectively. Both figures hit the highest records of female representation in Italian listed companies' boards (Tab. 2.19) and are largely driven by Law 120/2011, mandating gender quotas for three board nominations after August 2012. Most listed companies have so far enacted the second and the third board nominations pursuant to the Law (113 and 62 companies, respectively) and display on average 37% of women on board. The one-third proportion of women on board has been also targeted by both the 26 firms that should comply with the lower quota of one-fifth of the board, having undergone just the first board appointment pursuant to the Law (on average 35% of the board) and by the 26 companies that are not subject to quotas, either because they are newly-listed (quotas apply in the three board appointments after listing) or as they have already completed the three board nominations envisaged by the Law (nearly 33% of the board; Tab. 2.20).

The number of directorships held by women is on average 3.6, with higher figures recorded in medium and large-sized firms (4.4 and 4.3 board seats in Ftse Mib and Mid Cap indexes companies, respectively), while no significant difference across industries is detected (Tab. 2.21 and Tab. 2.22).

Looking at the role within the board, women serve as the company's CEO in 15 firms, accounting for 2.5% of total market capitalization, and as chairwomen (honorary chairwomen included) in 25 issuers, representing one-

Board of statutory auditors

Attendance
to board meetings

Board diversity

Gender diversity

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The impact of gender diversity on board diversity

third of total market value. Over 72% of women serve as independent board members, in continuous growth since 2013. As of June 2019, women appointed by minority shareholders through the slate voting system account for 68 directors, a figure higher than ever, in 56 large companies weighing nearly three-fourths on total market capitalisation (Tab. 2.23).

Finally, for the first time since the implementation of the gender quotas, the proportion of women interlockers remains stable around its 2018 value (34% up from nearly 19% in 2013; Tab. 2.24).

The average characteristics of the boards, mostly the level of education and the diversification of the professional background, underwent several changes following the appointment of women since 2012, and more so for non-family women. Indeed, since 2011 the proportion of family female directors has dropped to 10% from slightly more than 42%, while rising when referred to the seats of board committees (Tab. 2.25 - Tab. 2.27).

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Tab. 2.1 – Italian listed companies by management and control system
(end of the year)

	single-tier ²		two-tier ³		traditional		total	
	no.	% market cap ¹	no.	% market cap ¹	no.	% market cap ¹	no.	% market cap ¹
2009	4	0.1	7	11.7	267	88.2	278	100.0
2010	3	0.1	7	8.3	260	91.7	270	100.0
2011	3	0.1	7	8.1	250	91.8	260	100.0
2012	2	0.1	6	7.5	243	92.4	251	100.0
2013	2	0.1	5	8.6	237	91.3	244	100.0
2014	2	0.1	4	10.7	232	89.2	238	100.0
2015	2	0.1	4	11.3	228	88.6	234	100.0
2016	2	8.5	3	0.9	225	90.6	230	100.0
2017	2	8.1	2	0.8	227	91.1	231	100.0
2018	2	7.4	2	0.6	227	92.0	231	100.0

Source: Consob. Data on Italian companies with ordinary shares listed on Borsa Italiana spa – Mta Stock Exchange. ¹ Market value of ordinary shares of companies in each group in percentage of the market value of ordinary shares of all listed companies. ² The single-tier model envisages a board of directors appointed by the shareholders' meeting and a management control committee of non-executive independent members of the board. ³ The two-tier model envisages a supervisory board appointed by the shareholders' meeting and a management board appointed by the supervisory board.

Tab. 2.2 – Average size of corporate boards in Italian listed companies
(end of the year)

	board of directors	management board	supervisory board	number of companies
2008	9.9	7.7	12.4	278
2009	10.0	7.7	13.3	273
2010	10.1	7.4	13.1	262
2011	10.1	6.7	14.3	255
2012	10.0	6.3	14.2	241
2013	9.9	6.6	17.4	237
2014	9.8	6.5	17.3	225
2015	9.8	6.0	17.0	228
2016	9.9	4.3	13.0	220
2017	9.9	4.5	10.5	225
2018	9.8	4.5	10.5	222

Source: corporate governance reports of Italian companies with ordinary shares listed on Borsa Italiana spa – Mta Stock Exchange. Figures refer to companies whose corporate governance reports were available.

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Tab. 2.3 – Independent members on boards of directors of Italian listed companies
(end of the year)

	independent directors (by the Consolidated Law on Finance – Tuf)		independent directors (by the Corporate Governance Code)		independent directors (by Corporate Governance Code and/or Tuf) ¹	
	mean	weight ²	mean	weight ²	mean	weight ²
2011	4.1	39.5	3.9	37.7	4.3	41.7
2012	4.4	43.4	4.1	40.2	4.5	44.4
2013	4.5	44.3	4.1	40.7	4.6	44.8
2014	4.6	45.2	4.2	41.6	4.7	46.1
2015	4.6	45.8	4.1	41.3	4.7	46.6
2016	4.7	46.7	4.3	42.9	4.8	47.6
2017	4.9	48.8	4.4	43.8	4.9	48.9
2018	4.9	49.3	4.5	44.4	5.0	49.5

Source: corporate governance reports of Italian companies with ordinary shares listed on Borsa Italiana spa - Mta Stock Exchange. See Tab. 2.2, note 1. Industry classification by Borsa Italiana spa. Figures include the companies adopting the two-tier system. ¹ Directors who are classified as independent by both the Consolidated Law on Finance and the Corporate Governance Code are counted only once. ² Average percentage of independent directors on corporate boards of all listed companies.

Tab. 2.4 – Minority members on boards of directors of Italian listed companies
(end of the year)

	companies with at least one minority director		minority directors			minority and/or independent directors ¹	
	mean	weight ²	mean ³		weight ⁴	mean	weight ⁵
2011	91	36.5	0.7	(1.8)	6.6	4.4	42.4
2012	93	39.6	0.7	(1.8)	7.2	4.6	44.1
2013	92	38.5	0.7	(1.7)	7.4	4.7	46.4
2014	92	41.6	0.7	(1.8)	7.5	4.8	47.8
2015	98	43.8	0.8	(1.8)	7.8	4.8	48.3
2016	96	44.2	0.8	(1.9)	7.7	4.9	48.9
2017	97	43.5	0.8	(1.8)	7.4	5.0	49.8
2018	110	50.0	0.9	(1.8)	8.5	5.0	50.1

Source: corporate governance reports of Italian companies with ordinary shares listed on Borsa Italiana spa - Mta Stock Exchange. See Tab. 2.2, note 1. Industry classification by Borsa Italiana spa. Figures do not include the companies adopting the two-tier system, whose supervisory boards included members appointed by minorities in one financial company. ¹ Directors who are both minority and independent are counted only once. ² Number of companies in percentage of the total number of listed companies. ³ Mean number of minority directors. Figures out of the brackets refer to all listed companies; figures in brackets refer to the subsample of companies with at least one minority director. ⁴ Average percentage of minority directors on corporate boards. ⁵ Average percentage of minority and/or independent directors on corporate boards.

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Tab. 2.5 – Boards of directors of Italian listed companies by industry and market index
(end of 2018)

	industry			market index				total companies
	financial	industrial	services	Ftse Mib	Mid Cap ¹	Star ¹	other	
number of directors	10.8	9.4	9.9	12.3	11.8	9.2	8.5	9.8
independent directors ²	6.6	4.3	5.0	7.8	7.0	4.2	3.7	5.0
weight ³	59.6	46.1	49.5	63.2	58.2	45.8	44.3	49.9
minority directors ³	1.2	0.7	1.0	1.8	1.6	0.6	0.5	0.9
	(2.1)	(1.6)	(1.9)	(2.5)	(1.9)	(1.4)	(1.4)	(1.8)
% companies ⁴	56.3	46.2	52.8	72.7	86.1	40.6	32.9	50.0
minority and/or independent directors ³	6.7	4.4	5.0	7.8	7.0	4.2	3.7	5.0
weight ³	59.8	46.4	49.8	63.2	58.2	46.3	44.6	50.1
number of companies	48	119	53	33	36	69	82	220

Source: corporate governance reports of Italian companies with ordinary shares listed on Borsa Italiana spa - Mta Stock Exchange. See Tab. 2.2, note 1. Industry classification by Borsa Italiana spa. Figures do not include the companies adopting the two-tier system. ¹ Companies both in the Star and in the Mid Cap indexes are included only in the Star category. ² Mean number of directors classified as independent by the Consolidated Law on Finance and/or by the Corporate Governance Code. ³ Mean number of minority directors. Figures out of the brackets refer to all listed companies; figures in brackets refer to the subsample of companies with at least one minority director. ⁴ Number of companies with at least one minority director in percentage of the total number of listed companies included in each group.

Tab. 2.6 – Multiple directorship (interlocking) in Italian listed companies by market index
(end of June 2019)

	interlockers		companies with no interlocker		companies with interlockers	
	mean ¹	weight ²	no.	% market cap ³	no.	% market cap ³
Ftse Mib	3.4	27.1	3	2.1	30	97.9
Mid Cap ⁴	3.7	32.4	2	5.0	31	95.0
Star ⁴	2.1	21.3	9	4.4	62	95.6
Other	1.7	18.8	33	20.4	57	79.6
<i>Total</i>	<i>2.4</i>	<i>22.8</i>	<i>47</i>	<i>3.1</i>	<i>180</i>	<i>96.9</i>

Source: Consob. Data on corporate boards of Italian companies with ordinary shares listed on Borsa Italiana spa - Mta Stock Exchange. ¹ Mean number of interlockers. ² Percentage of interlockers on corporate boards. ³ Market value of ordinary shares of companies in each group in percentage of market value of ordinary shares of all companies included in each market index. ⁴ Companies both in the Star and in the Mid Cap indexes are included only in the Star category.

Tab. 2.7 – Multiple directorship (interlocking) in Italian listed companies by industry
(end of June 2019)

percentage of interlockers on the board of directors	financial		industrial		services		total	
	no. of companies	% market cap ¹	no. of companies	% market cap ¹	no. of companies	% market cap ¹	no. of companies	% market cap ²
0%	6	2.3	26	5.0	15	1.7	47	3.1
< 25%	25	47.3	47	47.8	17	18.7	89	38.2
from 25% to 50% ³	11	28.4	39	38.8	17	70.1	67	45.7
from 50% to 75% ³	9	21.9	5	7.7	7	9.5	21	12.8
≥ 75%	--	--	2	0.8	1	0.0	3	0.3
<i>total</i>	<i>51</i>	<i>100.0</i>	<i>119</i>	<i>100.0</i>	<i>57</i>	<i>100.0</i>	<i>227</i>	<i>100.0</i>

Source: Consob. Data on corporate boards of Italian companies with ordinary shares listed on Borsa Italiana spa - Mta Stock Exchange. ¹ Market value of ordinary shares of companies in each group in percentage of market value of ordinary shares of all companies included in each industry. ² Market value of ordinary shares of companies in each group in percentage of market value of ordinary shares of all listed companies. ³ The interval includes the lower threshold.

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Tab. 2.8 – Board committees in Italian listed companies
(end of the year)

	remuneration committee			nomination committee			internal control and risk management committee			sustainability committee		
	no. ¹	weight ²	% market cap ³	no. ¹	weight ²	% market cap ³	no. ¹	weight ²	% market cap ³	no. ¹	weight ²	% market cap ³
2011	224	87.8	99.0	51	20.0	62.8	228	89.4	98.6	....	....	....
2012	214	88.8	99.0	95	39.4	70.2	220	91.3	99.1	....	....	....
2013	210	88.6	98.9	112	47.3	79.9	216	91.1	99.1	....	....	....
2014	200	88.9	99.0	114	50.7	82.1	206	91.6	99.4	....	....	....
2015	204	89.5	99.0	123	53.9	81.8	212	93.0	99.6	....	....	....
2016	200	90.9	98.7	126	57.3	81.5	208	94.5	99.5	....	....	....
2017	205	91.1	98.8	134	59.6	81.5	212	94.2	99.5	45	20.0	61.3
2018	201	90.5	97.8	142	64.0	88.5	208	93.7	99.5	54	24.3	67.2

Source: corporate governance reports of Italian companies with ordinary shares listed on Borsa Italiana spa - Mta Stock Exchange. See Tab. 2.2, note 1. Industry classification by Borsa Italiana spa. ¹ Number of companies that have established the committee. In 2018, in line with the option provided for by the Corporate Governance Code, 112 companies have assigned multiple task to a single committee; in 95 cases the remuneration committee is combined with the nomination committee and in 34 cases the internal control and risk management committee is combined with the sustainability committee. ² Number of companies that have established the committee in percentage of the total number of listed companies. ³ Market value of ordinary shares of companies which have established the committee in percentage of market value of ordinary shares of all companies. ⁴ Companies both in the Star and in the Mid Cap indexes are included only in the Star category.

Tab. 2.9 – Remuneration committee in Italian listed companies by industry and market index
(end of 2018)

	industry			market index				total companies
	financial	industrial	services	Ftse Mib	Mid Cap ¹	Star ¹	other	
number of companies	47	106	48	33	33	67	68	201
weight ²	95.9	89.1	88.9	97.1	91.7	97.1	81.9	90.5
% market cap ³	100.0	97.6	95.6	99.3	91.8	96.4	87.0	97.8
average no. of members	3.1	3.0	3.0	3.3	3.2	3.0	2.8	3.0
average no. of women	1.6	1.4	1.6	1.5	1.4	1.5	1.5	1.5
average no. of independent directors ⁴	2.7	2.5	2.7	2.9	2.7	2.6	2.4	2.6
average no. of meetings	6.7	4.1	5.0	7.9	6.5	4.0	3.6	4.9

Source: corporate governance reports of Italian companies with ordinary shares listed on Borsa Italiana spa - Mta Stock Exchange. See Tab. 2.2, note 1. Industry classification by Borsa Italiana spa. ¹ Companies both in the Star and in the Mid Cap indexes are included only in the Star category. ² Number of companies that have established the committee in percentage of the number of listed companies included in each group. ³ Market value of ordinary shares of companies which have established the committee in percentage of market value of ordinary shares of all companies included in each group. ⁴ Average number of independent directors meeting the independence criteria set forth by either the Corporate Governance Code or the Consolidated Law on Finance.

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Tab. 2.10 – Nomination committee in Italian listed companies by industry and market index
(end of 2018)

	industry			market index				total companies
	financial	industrial	services	Ftse Mib	Mid Cap ¹	Star ¹	other	
number of companies	35	72	35	30	28	45	39	142
weight ²	71.4	60.5	64.8	88.2	77.8	65.2	47.0	64.0
% market cap ³	96.3	82.7	87.8	92.4	78.3	72.2	59.0	88.5
average no. of members	3.3	3.1	3.0	3.7	3.3	3.0	2.7	3.1
average no. of women	1.7	1.4	1.5	1.5	1.6	1.4	1.6	1.5
average no. of independent directors ⁴	2.7	2.6	2.8	2.9	2.9	2.6	2.4	2.7
average no. of meetings	6.8	4.0	5.8	7.5	6.9	3.5	3.9	5.1

Source: corporate governance reports of Italian companies with ordinary shares listed on Borsa Italiana spa - Mta Stock Exchange. See Tab. 2.2, note 1. Industry classification by Borsa Italiana spa. ¹ Companies both in the Star and in the Mid Cap indexes are included only in the Star category. ² Number of companies that have established the committee in percentage of the number of listed companies included in each group. ³ Market value of ordinary shares of companies which have established the committee in percentage of market value of ordinary shares of all companies included in each group. ⁴ Average number of independent directors meeting the independence criteria set forth by either the Corporate Governance Code or the Consolidated Law on Finance.

Tab. 2.11 – Internal control and risk management committee in Italian listed companies by industry and market index
(end of 2018)

	industry			market index				total companies
	financial	industrial	services	Ftse Mib	Mid Cap ¹	Star ¹	other	
number of companies	48	109	51	34	34	69	71	208
weight ²	98.0	91.6	94.4	100.0	94.4	100.0	85.5	93.7
% market cap ³	100.0	98.8	99.9	100.0	97.4	100.0	91.4	99.5
average no. of members	3.4	3.1	3.2	3.6	3.4	3.1	2.9	3.2
average no. of women	1.6	1.6	1.6	1.9	1.3	1.7	1.6	1.6
average no. of independent directors ⁴	3.0	2.8	2.8	3.4	2.9	2.8	2.5	2.8
average no. of meetings	12.0	6.3	7.1	12.4	10.3	6.3	5.9	7.8

Source: corporate governance reports of Italian companies with ordinary shares listed on Borsa Italiana spa - Mta Stock Exchange. See Tab. 2.2, note 1. Industry classification by Borsa Italiana spa. ¹ Companies both in the Star and in the Mid Cap indexes are included only in the Star category. ² Number of companies that have established the committee in percentage of the number of listed companies included in each group. ³ Market value of ordinary shares of companies which have established the committee in percentage of market value of ordinary shares of all companies included in each group. ⁴ Average number of independent directors meeting the independence criteria set forth by either the Corporate Governance Code or the Consolidated Law on Finance.

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Tab. 2.12 – Sustainability committee in Italian listed companies by industry and market index
 (end of 2018)

	industry			market index				total companies
	financial	industrial	services	Ftse Mib	Mid Cap ¹	Star ¹	other	
number of companies ²	12	28	14	24	16	9	5	54
weight ³	24.5	23.5	25.9	70.6	44.4	13.0	6.0	24.3
% market cap ⁴	55.0	69.9	77.1	75.8	53.3	8.2	12.3	67.2
average no. of members	3.7	3.4	3.1	3.6	3.3	3.2	3.0	3.4
average no. of women	1.5	1.5	1.6	1.7	1.1	1.7	1.6	1.5
average no. of independent directors ⁵	3.3	2.8	2.6	3.1	2.9	2.3	2.4	2.9
average no. of meetings	12.8	7.0	7.9	9.1	7.6	7.8	10.4	8.6

Source: corporate governance reports of Italian companies with ordinary shares listed on Borsa Italiana spa - Mta Stock Exchange. See Tab. 2.2, note 1. Industry classification by Borsa Italiana spa. ¹ Companies both in the Star and in the Mid Cap indexes are included only in the Star category. ² Number of companies that have established the committee. The figure includes companies which have grouped the sustainability committee with one or more committees (38 cases) and companies which have delegated functions on sustainability issues to other committees (10 cases). More frequently, the sustainability committee is combined with the internal control and risk management committee (34 cases), with the corporate governance committee (9 cases) and with the nomination committee (5 cases). ³ Number of companies that have established the committee in percentage of the number of listed companies included in each group. ⁴ Market value of ordinary shares of companies which have established the committee in percentage of market value of ordinary shares of all companies included in each group. ⁵ Average number of independent directors meeting the independence criteria set forth by either the Corporate Governance Code or the Consolidated Law on Finance.

Tab. 2.13 – Sustainability committee in Ftse Mib companies by identity of the 'ultimate controlling agent' (UCA)
 (end of 2018)

Sustainability committee

	companies ¹					members			
	number	weight ²	single committee	multiple committee	delegated functions	average number	weight ³	% chairman	% independent director
families	6	50.0	--	5	1	3.2	29.4	4.2	90.3
State and local authorities	10	100.0	2	8	--	3.9	38.9	8.3	78.6
no UCA	8	72.7	1	5	2	3.5	26.2	19.2	95.8
Ftse Mib companies	24	70.6	3	18	3	3.6	32.3	10.9	87.3

Attributes of members of sustainability committee

	% women	% foreigners	average age	education		professional background ⁴			% specific skills ⁶
				% first degree	% postgraduate degree ⁵	% manager	% consultant / professional	% academic	
families	52.8	5.6	56.7	100.0	31.9	58.3	33.3	8.3	5.6
State and local authorities	43.5	11.7	55.8	100.0	40.4	78.5	9.3	12.3	26.7
no UCA	49.8	2.5	58.3	91.7	30.0	59.0	15.6	25.4	25.0
Ftse Mib companies	47.9	7.1	56.8	97.2	34.8	66.9	17.4	15.7	20.8

Source: corporate governance reports of Italian companies with ordinary shares listed on Borsa Italiana spa - Mta Stock Exchange. See Tab. 2.2, note 1. For the definition of UCA see Tab. 1.4. ¹ Number of Ftse Mib companies that have established the committee. ² Number of companies that have established the committee in percentage of the total number of Ftse Mib listed companies. ³ Average number of members in percentage of the total number of board directors. ⁴ Figures do not include professional backgrounds other than those reported in the Table. ⁵ Number of graduated directors who attended a postgraduate course and/or hold a PhD in percentage of the total number of graduated directors in each category. ⁶ Figures refer to the percentage of directors with specific skills on sustainability issues, as reported in the corporate governance reports and/or on the companies' website.

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Tab. 2.14 – Self-evaluation of the boards of directors and succession plan in Italian listed companies
(end of the year)

	self-evaluation		succession plan	
	no. of companies ¹	weight ²	no. of companies ³	weight ²
2011	171	67.1	7	2.7
2012	177	73.4	13	5.4
2013	181	76.4	20	8.4
2014	184	81.8	23	10.2
2015	184	80.7	30	13.2
2016	184	83.6	39	17.7
2017	193	85.8	44	19.6
2018	190	85.6	52	23.4
of which				
<i>financial</i>	45	20.3	23	10.4
<i>industrial</i>	101	45.5	21	9.5
<i>services</i>	44	19.8	8	3.6

Source: corporate governance reports of Italian companies with ordinary shares listed on Borsa Italiana spa - Mta Stock Exchange. See Tab. 2.2, note 1. Industry classification by Borsa Italiana spa. ¹ Number of companies declaring that the board performed the self-evaluation process. ² Number of companies in each group in percentage of the total number of listed companies. ³ Number of companies declaring the adoption of a succession plan. The figure includes 10 cases in which the plan does not relate to the directors but only to executives, and excludes 13 companies that declare the forthcoming introduction of the plan or the adoption of alternative mechanisms of succession.

Tab. 2.15 – Board of statutory auditors of Italian listed companies
(end of the year)

	average no. of members	companies with at least one minority auditor ¹		average no. of minority auditors ²	average no. of meetings
		no.	(%)		
2011	3.1	86	(35.0)	0.4 (1.1)	11.5
2012	3.1	87	(37.3)	0.4 (1.1)	11.8
2013	3.2	97	(42.2)	0.5 (1.2)	11.7
2014	3.2	96	(43.8)	0.5 (1.1)	11.7
2015	3.1	105	(47.3)	0.5 (1.1)	12.1
2016	3.1	107	(49.5)	0.5 (1.1)	12.6
2017	3.1	115	(52.0)	0.6 (1.1)	13.2
2018	3.1	117	(53.7)	0.6 (1.1)	13.5
of which					
<i>financial</i>	3.1	26	(55.3)	0.6 (1.0)	22.6
<i>industrial</i>	3.1	58	(48.7)	0.5 (1.1)	10.3
<i>services</i>	3.1	33	(63.5)	0.7 (1.0)	12.4

Source: corporate governance reports of Italian companies with ordinary shares listed on Borsa Italiana spa - Mta Stock Exchange. See Tab. 2.2, note 1. Industry classification by Borsa Italiana spa. ¹ Number of companies with at least one minority auditor; in brackets the percentage on the total number of companies adopting the traditional system for each industry. ² Mean number of minority auditors. Figures out of brackets refer to all companies adopting the traditional system; figures in brackets refer to the subsample of companies with at least one minority auditor.

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Tab. 2.16 – Directors' attributes and board meeting attendance in Italian listed companies by industry and market index
(end of 2018)

	industry			market index				total companies
	financial	industrial	services	Ftse Mib	Mid Cap ¹	Star ¹	other	
no. of directorships	528	1,127	529	418	427	637	702	2,184
% women	35.8	35.6	36.9	37.1	35.6	35.8	35.6	35.9
average age	57.6	56.8	55.1	58.1	56.8	56.5	55.5	56.6
% foreigners	4.9	7.0	8.5	9.6	4.9	5.3	7.8	6.9
% family ²	5.5	22.4	14.0	5.5	11.0	22.6	20.1	16.3
% first degree	90.7	86.7	90.0	93.8	92.0	85.9	85.5	88.5
% postgraduate degree ³	22.5	23.4	28.4	27.3	26.2	22.1	23.5	24.4
% manager	63.8	71.0	68.1	73.9	66.3	68.6	66.7	68.5
% consultant/professional	22.0	20.0	23.4	13.9	20.6	22.0	25.5	21.3
% academic	13.6	8.1	7.9	11.0	12.2	9.3	6.8	9.4
average attendance ⁴	93.1	93.1	91.4	95.6	92.0	93.7	90.2	92.7

Source: Consob and corporate governance reports of Italian companies with ordinary shares listed on Borsa Italiana spa – Mta Stock Exchange. See Tab. 2.2, note 1. Industry classification by Borsa Italiana spa. Figures refer to those directors for whom information was available.

¹ Companies both in the Star and in the Mid Cap indexes are included only in the Star category. ² Number of directors that are either a family member of the controlling shareholder or the controlling shareholder in percentage of the total number of directors included in each category.

³ Number of graduated directors who attended a postgraduate course and/or hold a PhD in percentage of the total number of graduated directors in each category. ⁴ Average percentage of board meetings attended by directors in each category (directors appointed during the year who have been in charge for less than 200 days are excluded).

Tab. 2.17 – Directors' attributes and board meeting attendance in Italian listed companies by identity of the 'ultimate controlling agent' (UCA)
(end of 2018)

	families	State and local authorities	financial institutions	mixed	no UCA	total companies
no. of directorships	1,375	229	83	76	421	2,184
% women	36.1	36.7	30.1	36.8	35.9	35.9
average age	56.7	55.1	53.7	56.7	57.3	56.6
% foreigners	6.3	7.0	22.9	3.9	6.2	6.9
% family ¹	25.8	–	–	–	–	16.3
% first degree	86.5	96.5	97.6	90.8	88.4	88.5
% postgraduate degree ²	23.4	28.1	39.5	18.8	23.4	24.4
% manager	69.2	66.4	71.1	67.1	67.5	68.5
% consultant/professional	22.0	21.4	18.1	25.0	18.8	21.3
% academic	7.9	11.4	10.8	7.9	13.1	9.4
average attendance ³	92.2	95.7	90.2	91.8	93.3	92.7

Source: Consob and corporate governance reports of Italian companies with ordinary shares listed on Borsa Italiana spa – Mta Stock Exchange. See Tab. 2.2, note 1. For the definition of UCA see Tab. 1.4. Figures refer to those directors for whom information was available. ¹ Number of directors that are either a family member of the controlling shareholder or the controlling shareholder in percentage of the total number of directors included in each category. ² Number of graduated directors who attended a postgraduate course and/or hold a PhD in percentage of the total number of graduated directors in each category. ³ Average percentage of board meetings attended by directors in each category (directors appointed during the year who have been in charge for less than 200 days are excluded).

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Tab. 2.18 – Educational background of board members in Italian listed companies
(number of directorships at the end of the year)

	degree	degree					more than one degree	no degree	total	
		economics	law	engineering	political sciences	other ¹				
2013	number	1,994	1,053	377	304	93	198	40	252	2,246
	weight ²	88.8	46.9	16.8	13.5	4.1	8.8	1.8	11.2	100.0
2014	number	1,892	1,009	356	278	85	189	40	236	2,128
	weight ²	88.9	47.4	16.7	13.1	4.0	8.9	1.9	11.1	100.0
2015	number	1,905	992	364	275	83	211	43	241	2,146
	weight ²	88.8	46.2	17.0	12.8	3.9	9.8	2.0	11.2	100.0
2016	number	1,872	962	375	252	74	220	39	214	2,086
	weight ²	89.7	46.1	18.0	12.1	3.5	10.5	1.9	10.3	100.0
2017	number	1,958	1,014	395	268	86	214	47	205	2,163
	weight ²	90.5	46.9	18.3	12.4	4.0	9.9	2.2	9.5	100.0
2018	number	1,932	1,011	367	284	80	217	50	189	2,121
	weight ²	91.1	47.7	17.3	13.4	3.8	10.2	2.4	8.9	100.0

Source: Consob and corporate governance reports of Italian companies with ordinary shares listed on Borsa Italiana spa – Mta Stock Exchange. See Tab. 2.2, note 1. Figures refer to those directors for whom information was available. Breakdown by subject of degree includes directors holding more than one degree. ¹ The figure does not include cases where information on the subject of the title is not available. ² Number of directors in each category in percentage of the total number of board members for whom information was available.

Tab. 2.19 – Female representation on corporate boards of Italian listed companies
(end of the year; for 2019, end of June)

	boards of directors				boards of statutory auditors			
	female directorship ¹		diverse-board companies ³		female membership ¹		diverse-board companies ³	
	number	weight ²	number	weight ⁴	number	weight ²	number	weight ⁴
2010	182	6.8	133	49.6	56	6.2	52	19.4
2011	193	7.4	135	51.7	57	6.5	53	20.3
2012	288	11.6	169	66.8	81	9.5	74	29.2
2013	421	17.8	202	83.5	153	18.7	132	54.8
2014	521	22.7	217	91.9	205	26.1	183	77.5
2015	622	27.6	230	98.3	260	33.6	230	98.3
2016	701	31.6	226	99.1	261	35.4	226	99.1
2017	760	33.6	226	98.7	266	36.6	227	98.7
2018	812	36.0	229	99.1	278	38.1	227	98.3
2019	807	36.4	226	99.6	278	39.3	225	99.1

Source: Consob. Data on corporate boards of Italian companies with ordinary shares listed on Borsa Italiana spa – Mta Stock Exchange. ¹ Figures refer to the board seats held by women. ² Weight on total number of directorships. ³ Diverse-board companies are firms where at least one female director sits on the board. ⁴ Weight on total number of companies.

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Tab. 2.20 – Female representation on boards of directors of Italian listed companies by term of application of Law 120/2011

(end of June 2019)

	no. of companies	% market cap ¹	average no. of female directors	average weight of female directors
first term	26	10.7	3.5	35.4
second term	113	51.7	3.6	37.0
third term	62	33.8	3.8	37.3
not applicable ²	26	3.8	3.0	32.8
<i>total</i>	<i>227</i>	<i>100.0</i>	<i>3.6</i>	<i>36.4</i>

Source: Consob. Data on corporate boards of Italian companies with ordinary shares listed on Borsa Italiana spa - Mta Stock Exchange; industry classification by Borsa Italiana spa. ¹ Market value of ordinary shares of companies in each group in percentage of market value of ordinary shares of all companies. ² The category refers to companies which either have completed the three board appointments under Law 120/2011 or, being newly listed, have not undergone yet the first board appointment under the Law (after listing).

Tab. 2.21 – Female representation on boards of directors of Italian listed companies by market index

(end of June 2019)

	diverse-board companies ¹		average no. of female directors	average weight of women on boards	
	no. of companies	% market cap ²		in all listed companies	in diverse-board companies ¹
Ftse Mib	33	100.0	4.4	35.5	35.5
Mid Cap ³	33	100.0	4.3	37.3	37.3
Star ³	71	100.0	3.4	36.1	36.1
other	89	99.3	3.1	36.7	37.1
<i>total</i>	<i>226</i>	<i>99.9</i>	<i>3.6</i>	<i>36.4</i>	<i>36.6</i>

Source: Consob. Data on corporate boards of Italian companies with ordinary shares listed on Borsa Italiana spa - Mta Stock Exchange. ¹ Diverse-board companies are firms where at least one female director sits on the board. ² Market value of ordinary shares of companies in each group in percentage of market value of ordinary shares of all companies included in each market index. ³ Companies both in the Star and in the Mid Cap indexes are included only in the Star category.

Tab. 2.22 – Female representation on boards of directors of Italian listed companies by industry

(end of June 2019)

	diverse-board companies ¹		average no. of female directors	average weight of women on boards	
	no. of companies	% market cap ²		in all listed companies	in diverse-board companies ¹
financial	51	100.0	3.8	36.1	36.1
industrial	119	100.0	3.4	36.5	36.5
services	56	99.9	3.7	36.5	37.2
<i>total</i>	<i>226</i>	<i>99.9</i>	<i>3.6</i>	<i>36.4</i>	<i>36.6</i>

Source: Consob. Data on corporate boards of Italian companies with ordinary shares listed on Borsa Italiana spa - Mta Stock Exchange. Industry classification by Borsa Italiana spa. ¹ Diverse-board companies are firms where at least one female director seats on the board. ² Market value of ordinary shares of companies in each group in percentage of market value of ordinary shares of all companies included in each industry.

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Tab. 2.23 – Positions held by female directors in Italian listed companies
(end of June)female directorship¹

	CEO		chairman / honorary chairman		deputy chairman / executive committee		independent director ³		minority director	
	no. of directors	weight ²	no. of directors	weight ²	no. of directors	weight ²	no. of directors	weight ²	no. of directors	weight ²
2013	13	3.2	10	2.5	33	8.1	244	59.8	20	4.9
2014	16	3.1	16	3.1	32	6.1	333	64.0	37	7.1
2015	16	2.6	17	2.7	36	5.8	424	68.3	42	6.8
2016	17	2.5	21	3.1	40	5.8	471	68.6	49	7.1
2017	17	2.2	27	3.6	39	5.1	520	68.6	57	7.5
2018	14	1.7	25	3.1	39	4.8	581	71.8	61	7.5
2019	15	1.9	25	3.1	33	4.1	582	72.1	68	8.4

diverse-board companies⁴

	CEO		chairman / honorary chairman		deputy chairman / executive committee		independent director ³		minority director	
	no. of companies	% market cap	no. of companies	% market cap	no. of companies	% market cap	no. of companies	% market cap	no. of companies	% market cap
2013	12	0.7	9	0.4	33	8.2	138	63.1	18	26.9
2014	15	1.0	15	27.5	32	7.5	168	93.5	32	58.9
2015	16	0.9	16	22.1	34	9.6	199	98.3	34	58.0
2016	17	1.7	21	30.8	37	8.8	205	97.8	38	62.1
2017	17	1.8	26	26.6	36	10.2	206	98.1	44	65.1
2018	14	1.8	25	28.5	37	11.2	216	99.2	52	63.3
2019	15	2.5	25	32.4	30	8.2	216	99.7	56	73.6

Source: Consob. Data on corporate boards of Italian companies with ordinary shares listed on Borsa Italiana spa - Mta Stock Exchange. ¹ Figures refer to the board seats held by women. While not necessarily falling in the provided categories, the same woman may fall in one or more of such categories. ² Weight on total number of directorships. ³ Number of independent directors meeting the independence criteria set forth by either the Corporate Governance Code or the Consolidated Law on Finance. ⁴ Figures refer to the number of companies where at least one female director seats on the board. While not necessarily falling in the provided categories, the same company may fall in one or more of such categories.

Tab. 2.24 – Female interlocking on corporate boards of Italian listed companies
(end of June)

	female directors			all directors		
	no. of interlockers	weight ¹	average no. of directorships	no. of interlockers	weight ²	average no. of directorships
2013	76	18.6	1.26	554	23.2	1.40
2014	131	25.2	1.38	536	22.9	1.35
2015	168	27.1	1.45	498	21.9	1.35
2016	203	29.5	1.45	487	21.6	1.32
2017	235	31.0	1.50	514	22.8	1.34
2018	279	34.5	1.58	554	24.6	1.37
2019	275	34.1	1.56	537	24.2	1.36

Source: Consob. Data on corporate boards of Italian companies with ordinary shares listed on Borsa Italiana spa - Mta Stock Exchange. ¹ Weight on total number of female directorships. ² Weight on total number of directorships.

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Tab. 2.25 – Directors' attributes in Italian listed companies by gender
(end of the year)

		no. of directorships	% foreigners	average age	education		professional background ²		
					% first degree	% postgraduate degree ¹	% managers	% consultant /professional	% academic
2011	director	2,567	5.1	57.5	84.0	15.3	75.0	16.2	7.6
	female	192	3.1	49.7	75.5	16.6	71.9	17.2	8.3
	male	2,375	5.3	58.1	84.7	15.3	75.2	16.1	7.6
2012	director	2,401	5.2	57.6	84.9	15.7	76.2	15.1	8.2
	female	283	5.3	50.5	83.0	21.7	68.2	17.7	13.4
	male	2,118	5.1	58.5	85.2	14.9	77.3	14.7	7.5
2013	director	2,332	5.8	57.3	85.5	17.2	74.5	16.5	8.3
	female	417	7.0	50.2	87.5	24.1	62.4	23.7	13.2
	male	1,915	5.5	58.9	85.1	15.6	77.2	14.9	7.3
2014	director	2,211	6.2	57.1	85.6	18.9	73.0	18.3	8.1
	female	500	6.6	50.7	88.0	27.3	59.6	29.0	11.0
	male	1,711	6.1	58.9	84.9	16.4	77.0	15.2	7.3
2015	director	2,222	7.4	56.7	85.7	20.9	70.8	20.3	8.3
	female	617	7.9	50.9	88.7	29.8	55.3	31.8	12.5
	male	1,605	7.2	58.9	84.6	17.4	76.8	16.0	6.7
2016	director	2,160	7.0	56.6	86.7	21.6	70.2	20.9	8.2
	female	677	7.1	51.6	90.3	29.0	55.4	31.6	12.4
	male	1,483	7.0	58.9	85.0	18.0	77.0	16.0	6.3
2017	director	2,227	6.9	56.5	87.9	23.1	70.2	20.2	8.8
	female	748	6.0	52.0	91.6	30.2	53.7	32.0	13.6
	male	1,479	7.4	58.7	86.1	19.2	78.5	14.3	6.4
2018	director	2,184	6.9	56.6	88.5	24.4	68.5	21.3	9.4
	female	785	6.0	52.7	91.7	29.3	52.0	33.1	14.0
	male	1,399	7.4	58.7	86.6	21.5	77.8	14.7	6.8

Source: Consob and corporate governance reports of Italian companies with ordinary shares listed on Borsa Italiana spa – Mta Stock Exchange. See Tab. 2.2, note 1. Figures refer to those directors for whom information was available. ¹ Number of graduated directors who attended a postgraduate course and/or hold a PhD in percentage of the total number of graduated directors in each category. ² The percentages not represented refer to other professional backgrounds.

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Tab. 2.26 – Corporate board and meeting attendance in Italian listed companies by gender
(end of the year)

		no. of directorships	% family ¹	% minority ²	% independent ²	% member of a committee ²	average board attendance ³
2011	director	2,567	16.3	6.2	42.2	41.1	89.5
	female	192	42.2	5.7	37.5	37.5	89.1
	male	2,375	14.2	6.2	42.6	41.4	89.5
2012	director	2,401	16.2	6.7	45.0	40.9	91.2
	female	283	25.8	5.7	53.7	48.4	89.7
	male	2,118	14.9	6.8	43.9	39.8	91.4
2013	director	2,332	16.3	6.7	43.7	41.8	91.2
	female	417	18.2	6.2	56.6	51.1	91.0
	male	1,915	15.9	6.8	40.9	39.7	91.3
2014	director	2,211	16.3	7.3	47.2	42.5	91.0
	female	500	15.0	8.2	64.6	51.8	91.0
	male	1,711	16.7	7.1	42.1	39.8	91.0
2015	director	2,222	15.8	8.1	47.7	43.7	91.4
	female	617	13.1	7.8	68.2	56.4	90.5
	male	1,605	16.9	8.2	39.9	38.8	91.8
2016	director	2,160	15.6	8.3	48.8	44.9	92.0
	female	677	11.8	7.7	70.6	58.3	92.2
	male	1,483	17.4	8.6	38.8	38.8	91.9
2017	director	2,227	15.9	7.9	49.8	46.5	92.4
	female	748	10.7	7.5	73.5	61.8	91.9
	male	1,479	18.6	8.1	37.8	38.8	92.7
2018	director	2,184	16.3	8.9	50.4	46.2	92.7
	female	785	10.1	8.3	72.9	62.4	92.5
	male	1,399	19.7	9.3	37.7	37.0	92.8

Source: Consob and corporate governance reports of Italian companies with ordinary shares listed on Borsa Italiana spa – Mta Stock Exchange. See Tab. 2.2, note 1. Figures refer to those directors for whom information was available. ¹ Number of directors that are either a family member of the controlling shareholder or the controlling shareholder in percentage of the total number of directors included in each category. ² Weight on total number directorships by gender. ³ Average percentage of board meetings attended by the directors included in each category (directors appointed during the year who have been in charge for less than 200 days are excluded).

Tab. 2.27 – Directors' attributes and board meeting attendance in Italian listed companies by gender and relationship with the controlling shareholder

(end of 2018)

		no. of directorships	average attendance ¹	education		professional background			
				% first degree	% postgraduate degree ²	% managers	% consultant /professional	% academic	% other
director	family ³	355	92.2	70.1	18.5	90.1	8.7	0.3	0.8
	non-family	1,829	92.8	92.0	25.3	64.4	23.7	11.2	0.8
female	family ³	79	88.2	64.6	21.6	74.7	22.8	--	2.5
	non-family	706	93.0	94.8	29.9	49.4	34.3	15.6	0.7
male	family ³	276	93.3	71.7	17.7	94.6	4.7	0.4	0.4
	non-family	1,123	92.7	90.3	22.3	73.7	17.1	8.4	0.8

Source: Consob and corporate governance reports of Italian companies with ordinary shares listed on Borsa Italiana spa – Mta Stock Exchange. See Tab. 2.2, note 1. Figures refer to those directors for whom information was available. ¹ Average percentage of board meetings attended by the directors included in each category (directors appointed during the year who have been in charge for less than 200 days are excluded). ² Number of graduated directors who attended a postgraduate course and/or hold a PhD in percentage of the total number of graduated directors in each category. ³ The director is either a family member of the controlling shareholder or the controlling shareholder.

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AGMs attendance

In line with the previous year, the 2019 Annual General Meetings (AGMs) of the 100 most capitalized Italian listed companies record a large attendance by shareholders (on average 72% of the share capital), and in particular by institutional investors (on average 21% of the share capital). Participation by both Italian and foreign institutional investors has remained stable over the last year (1.8% and 18.7% of the share capital, respectively; Tab. 3.1).

Across industries, industrial and utilities firms record the highest attendance rates of shareholders (76% and 75% of the share capital, respectively), while the presence of institutional investors shows little variation (20.7% in financial and industrial firms and 20.4% in listed utilities; Tab. 3.2).

In 2019, Italian investment funds, banks and insurance companies have participated in 84 AGMs (the highest number of meetings since 2012, up from 38 in 2013), and have cast votes for 3% of the AGM. Foreign institutional investors have attended at the meetings of all the 100 largest Italian companies (in line with the previous four years), and have cast on average about 28% of the AGM (thus recording a slight decrease from the peak of 29% recorded in 2018; Tab. 3.3).

Say-on-pay

As for the vote on the board members' remuneration policy, the 2019 proxy season marks the highest dissent of institutional investors, as abstention and rejection of the policy account for 44% of their shares and 8% of the share capital, respectively 12 and 4 percentage points more than the 2012 values. Agreement on the remuneration policy by non-institutional investors entails 98% of their votes (51% of the company's share capital), in line with previous years (Tab. 3.4).

Since 2017 dissent has markedly grown in companies belonging to the Ftse Mib Index, inverting the declining trend experienced over 2012-2016: in detail, over the last two years dissent has recorded 37% of institutional investors' votes and 12% of the AGM (in 2016 the same figures were about 27% and 9%, respectively). Institutional dissent also shows an upward trend among Mid Cap firms, with institutional investors casting vote against the remuneration policy or abstaining from voting with 49% of their shares (46% in 2018; Tab. 3.5).

Though still lower than other industries, dissent has increased among financial firms, reaching 10% of the AGM and 38.8% of institutional investors' votes, remarkably up as compared to 2018 and, even more so, 2017 (when dissenting votes were, respectively, 32.9% and 25.7% of institutional investors' shares; Tab. 3.6).

Finally, institutional investors' dissent is lower in widely held companies (15.9% of institutional investors' shares versus a dissent as high as 52% in some categories of controlled companies; Tab. 3.7) and in the presence of an institutional investor holding a major stake (30% of institutional investors' shares versus 52% recorded in the other companies; Tab. 3.8).

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Tab. 3.1 – Attendance at the AGMs of the 100 largest Italian listed companies

		no. of participants		share of capital at the AGM			
		total	<i>institutional investors</i>	total	<i>institutional investors</i>	<i>Italian institutional investors</i>	<i>foreign institutional investors</i>
2012	mean	454	350	70.2	11.5	1.1	10.4
	min	1	0	43.0	0.0	0.0	0.0
	max	4,825	3,705	92.7	47.7	9.6	47.2
	median	155	135	70.5	9.8	0.0	7.9
2013	mean	408	338	70.3	13.0	0.9	12.1
	min	5	0	43.5	0.0	0.0	0.0
	max	3,886	3,850	92.9	54.5	13.2	54.4
	median	135	125	71.6	10.7	0.0	9.8
2014	mean	407	353	70.7	17.5	0.9	16.5
	min	3	0	27.8	0.0	0.0	0.0
	max	4,273	3,304	100.0	69.8	13.9	69.1
	median	184	171	72.9	16.2	0.0	15.6
2015	mean	479	402	71.1	18.1	0.9	17.3
	min	9	2	26.3	0.0	0.0	0.0
	max	5,501	3,078	91.0	49.5	9.5	49.5
	median	199	183	74.5	17.8	0.1	15.9
2016	mean	532	448	70.6	19.1	1.2	17.9
	min	10	2	15.4	0.0	0.0	0.0
	max	4,806	3,114	93.0	60.9	14.9	58.9
	median	270	245	73.1	18.1	0.5	17.1
2017	mean	623	469	71.3	19.4	1.2	18.3
	min	11	3	14.7	0.6	0.0	0.6
	max	5,346	3,097	95.8	63.0	11.6	60.9
	median	263	245	72.0	18.2	0.5	16.2
2018	mean	635	527	72.6	21.4	1.7	19.7
	min	17	8	38.9	0.6	0.0	0.6
	max	4,382	3,484	95.3	60.6	11.6	60.6
	median	324	310	75.1	19.4	1.0	17.9
2019	mean	608	514	72.0	20.6	1.8	18.7
	min	12	2	25.7	0.9	0.0	0.1
	max	4,349	3,314	95.7	70.5	11.4	60.1
	median	286	271	74.6	18.4	0.9	16.6

Source: minutes of Italian listed companies AGMs. Data on the largest 100 Italian companies by market capitalisation with ordinary shares listed on Borsa Italiana spa - Mta Stock Exchange. Cooperatives are excluded. For the purposes of this Report, institutional investors are investment funds, banks and insurance companies reporting a stake lower than 10% to Consob in compliance with major shareholdings disclosure obligations. Investors holding more than 10% of a company's capital are not regarded as institutional. Attendance is drawn from say-on-pay votes reported in the minutes of the AGMs held in the first semester of the relevant year.

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Tab. 3.2 – Attendance at the 2019 AGMs of the 100 largest Italian listed companies by industry

		no. of participants		share of capital at the AGM			
		total	<i>institutional investors</i>	total	<i>institutional investors</i>	<i>Italian institutional investors</i>	<i>foreign institutional investors</i>
financial	mean	718	525	62.6	20.7	1.7	19.0
	min	12	6	25.7	2.5	0.0	2.1
	max	3,275	2,544	85.9	55.3	10.0	54.2
	median	292	273	67.0	16.6	0.9	15.5
industrial	mean	448	436	76.0	20.7	1.9	18.6
	min	22	2	51.5	0.9	0.0	0.0
	max	3,239	3,217	95.7	70.5	10.3	60.1
	median	231	225	77.5	19.7	1.2	16.8
services	mean	797	652	74.6	20.4	1.8	18.6
	min	21	14	47.1	1.6	0.0	1.6
	max	4,349	3,341	94.5	42.4	11.4	39.0
	median	365	347	75.1	20.8	0.7	20.8

Source: minutes of Italian listed companies AGMs. For the sample definition see Tab. 3.1. Industry classification by Borsa Italiana spa.

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Tab. 3.3 – Attendance of institutional investors at the AGMs of the 100 largest Italian listed companies

		Italian institutional investors		foreign institutional investors	
		share on total capital ¹	share on capital at the AGM ²	share on total capital ¹	share on capital at the AGM ²
2012	attendance	1.9	2.9	10.9	16.7
	<i>no. of companies</i>		40		96
2013	attendance	2.3	3.4	12.6	19.0
	<i>no. of companies</i>		38		96
2014	attendance	1.6	2.5	17.0	25.2
	<i>no. of companies</i>		56		95
2015	attendance	1.6	2.2	17.2	25.4
	<i>no. of companies</i>		56		100
2016	attendance	1.6	2.1	17.9	26.8
	<i>no. of companies</i>		69		100
2017	attendance	1.6	2.3	18.3	27.4
	<i>no. of companies</i>		76		100
2018	attendance	2.0	3.0	19.7	28.7
	<i>no. of companies</i>		81		100
2019	attendance	2.1	3.1	18.7	27.6
	<i>no. of companies</i>		84		100

Source: minutes of Italian listed companies AGMs. For the sample definition see Tab. 3.1. ¹ Ordinary shares on ordinary total capital. ² Ordinary shares on ordinary capital represented at the AGM.

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Tab. 3.4 – Shareholders' say-on-pay at the AGMs of the 100 largest Italian listed companies

	institutional investors			other investors			
	share on total capital ¹	share on capital at the AGM ²	share on institutional votes ³	share on total capital ¹	share on capital at the AGM ²	share on other investors votes ³	
2012	for	7.9	12.4	67.3	56.9	80.4	98.2
	against	3.4	5.2	29.6	0.6	0.9	1.1
	abstention	0.3	0.5	2.6	0.4	0.5	0.6
2013	for	9.0	13.9	70.3	56.2	79.6	99.1
	against	3.6	5.3	28.2	0.1	0.2	0.2
	abstention	0.2	0.4	1.4	0.1	0.1	0.2
2014	for	13.3	19.8	67.6	52.6	73.3	98.4
	against	4.0	5.8	30.8	0.6	0.8	1.4
	abstention	0.2	0.4	1.4	0.1	0.1	0.2
2015	for	12.2	18.3	61.9	52.6	72.8	99.1
	against	5.1	7.2	33.8	0.2	0.3	0.4
	abstention	0.5	0.8	2.6	0.2	0.3	0.5
2016	for	12.7	20.0	64.8	50.3	68.5	96.1
	against	5.5	7.8	30.3	0.3	0.4	0.5
	abstention	0.6	0.8	3.1	1.0	1.2	2.3
2017	for	13.0	20.1	64.4	51.3	70.0	98.0
	against	5.9	8.2	32.8	0.1	0.1	0.2
	abstention	0.3	0.6	1.6	0.5	0.7	1.8
2018	for	13.4	20.1	57.0	50.8	68.3	98.3
	against	7.2	9.8	38.7	0.0	0.1	1.1
	abstention	0.5	0.8	2.3	0.2	0.4	0.5
2019	for	12.5	19.1	54.5	51.1	69.1	97.6
	against	7.2	10.1	41.7	0.0	0.0	0.1
	abstention	0.5	0.7	2.2	0.3	0.4	1.9

Source: minutes of Italian listed companies AGMs. For the sample definition see Tab. 3.1. ¹ Ordinary shares on ordinary total capital. ² Ordinary shares on ordinary capital represented at the AGM. ³ Ordinary shares on total votes by institutional investors/other investors.

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Tab. 3.5 – Dissent in shareholders' say-on-pay at the AGMs of the 100 largest Italian listed companies by market index

		total dissent ²		institutional investors dissent on total votes ³		institutional investors dissent on total votes by institutional investors ⁴	
		mean	max	mean	max	mean	max
2012	Ftse Mib	12.2	51.7	10.5	37.3	38.6	83.4
	Mid Cap	4.9	33.8	3.1	21.8	28.3	92.7
	other ¹	4.1	34.2	3.9	34.2	30.7	99.2
	<i>total</i>	<i>7.0</i>	<i>51.7</i>	<i>5.9</i>	<i>37.3</i>	<i>32.6</i>	<i>99.2</i>
2013	Ftse Mib	9.5	39.2	9.2	39.2	31.7	85.3
	Mid Cap	5.1	25.0	4.1	25.0	24.9	82.7
	other ¹	4.8	36.6	4.1	34.6	30.9	96.2
	<i>total</i>	<i>6.4</i>	<i>39.2</i>	<i>5.8</i>	<i>39.2</i>	<i>29.3</i>	<i>96.2</i>
2014	Ftse Mib	8.2	31.6	7.9	31.6	27.5	87.8
	Mid Cap	9.1	71.7	6.7	27.1	38.4	98.3
	other ¹	3.9	14.3	3.9	14.3	39.0	100.0
	<i>total</i>	<i>7.1</i>	<i>71.7</i>	<i>6.2</i>	<i>31.6</i>	<i>34.6</i>	<i>100.0</i>
2015	Ftse Mib	9.4	38.1	9.0	38.1	25.8	83.1
	Mid Cap	9.3	25.5	8.5	25.5	39.0	92.7
	other ¹	6.4	21.6	6.4	22.1	48.8	100.0
	<i>total</i>	<i>8.4</i>	<i>38.1</i>	<i>8.0</i>	<i>38.1</i>	<i>38.1</i>	<i>100.0</i>
2016	Ftse Mib	8.7	39.4	9.0	39.4	27.0	82.4
	Mid Cap	9.3	55.9	8.6	55.9	36.9	81.0
	other ¹	9.1	35.4	8.3	35.1	40.6	95.7
	<i>total</i>	<i>9.0</i>	<i>55.9</i>	<i>8.6</i>	<i>55.9</i>	<i>35.2</i>	<i>95.7</i>
2017	Ftse Mib	11.5	43.7	11.3	39.6	32.4	96.3
	Mid Cap	9.4	39.1	8.5	39.1	40.0	95.6
	other ¹	5.1	24.3	3.1	12.4	14.0	62.6
	<i>total</i>	<i>9.6</i>	<i>43.7</i>	<i>8.8</i>	<i>39.6</i>	<i>34.4</i>	<i>96.3</i>
2018	Ftse Mib	12.3	32.6	12.1	30.8	36.8	100.0
	Mid Cap	11.4	39.4	11.0	39.4	46.4	87.8
	other ¹	5.5	17.5	4.4	15.6	28.5	94.5
	<i>total</i>	<i>11.0</i>	<i>39.4</i>	<i>10.6</i>	<i>39.4</i>	<i>41.1</i>	<i>100.0</i>
2019	Ftse Mib	13.4	56.2	12.0	32.4	36.5	96.5
	Mid Cap	11.4	47.6	11.4	47.6	49.2	98.8
	other ¹	5.8	24.0	5.7	24.0	40.4	91.9
	<i>total</i>	<i>11.2</i>	<i>56.2</i>	<i>10.8</i>	<i>47.6</i>	<i>43.9</i>	<i>98.9</i>

Source: minutes of Italian listed companies AGMs. For the sample definition see Tab. 3.1. ¹ The category includes the remaining companies, which are either included in the Star market segment or are not in any of the mentioned indexes. ² Dissent-votes (including abstentions) in percentage of total votes. ³ Institutional investors' dissent-votes (including abstentions) in percentage of total votes. ⁴ Institutional investors' dissent-votes (including abstentions) in percentage of total votes by institutional investors.

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Tab. 3.6 – Dissent in shareholders' say-on-pay at the AGMs of the 100 largest Italian listed companies by industry

		total dissent ¹		institutional investors dissent on total votes ²		institutional investors dissent on total votes by institutional investors ³	
		mean	max	mean	max	mean	Max
2012	financial	3.8	21.8	3.7	21.8	22.8	99.2
	industrial	7.1	51.7	6.2	37.3	32.7	97.4
	services	9.7	34.2	7.1	34.2	39.9	92.7
2013	financial	5.5	25.0	4.6	25.0	20.5	81.7
	industrial	6.0	39.2	5.5	39.2	28.7	96.2
	services	7.9	34.6	7.4	34.6	38.3	83.9
2014	financial	5.1	20.5	5.1	20.5	24.8	73.5
	industrial	6.1	27.1	6.0	27.1	34.9	98.3
	services	10.6	71.7	7.2	31.6	40.5	100.0
2015	financial	6.4	25.0	6.5	25.0	25.3	80.5
	industrial	8.4	23.5	8.0	23.5	42.3	99.3
	services	9.9	38.1	9.1	38.1	40.0	100.0
2016	financial	5.7	22.4	5.7	22.4	24.3	78.1
	industrial	10.1	55.9	9.4	55.9	39.5	95.7
	services	10.6	39.4	10.5	39.4	38.5	95.9
2017	financial	6.9	27.2	6.7	27.2	25.7	96.3
	industrial	10.1	39.1	8.8	39.1	37.0	95.6
	services	11.3	43.7	10.8	39.6	37.2	92.9
2018	financial	9.7	39.4	9.2	39.4	32.9	94.5
	industrial	11.9	36.2	11.4	36.2	47.7	100.0
	services	10.6	32.6	10.4	30.8	36.9	91.1
2019	financial	10.8	47.6	10.5	47.6	38.8	85.3
	industrial	11.5	37.9	11.5	37.9	48.5	96.5
	services	11.1	56.2	9.5	32.4	40.6	98.9

Source: minutes of Italian listed companies AGMs. For the sample definition see Tab. 3.1. Industry classification by Borsa Italiana spa. ¹ Dissent-votes (including abstentions) in percentage of total votes. ² Institutional investors' dissent-votes (including abstentions) in percentage of total votes. ³ Institutional investors' dissent-votes (including abstentions) in percentage of total votes by institutional investors.

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Tab. 3.7 – Dissent in shareholders' say-on-pay at the 2019 AGMs of the 100 largest Italian listed companies by control model

control model	total dissent ¹		institutional investors dissent on total votes ²		institutional investors dissent on total votes by institutional investors ³	
	mean	max	mean	max	mean	max
majority controlled	10.9	32.4	10.9	32.4	52.1	96.5
weakly controlled	13.3	56.2	11.7	37.9	38.8	98.9
controlled by a shareholders' agreement	9.3	31.5	9.0	31.5	52.4	91.3
widely held	11.9	47.6	11.1	47.6	15.9	75.9
non-widely held	8.2	16.8	8.2	16.8	31.6	60.4

Source: minutes of Italian listed companies AGMs. For the sample definition see Tab. 3.1. For the definition of control model see Tab. 1.2

¹ Dissent-votes (including abstentions) in percentage of total votes. ² Institutional investors' dissent-votes (including abstentions) in percentage of total votes. ³ Institutional investors' dissent-votes (including abstentions) in percentage of total votes by institutional investors.**Tab. 3.8 – Dissent in shareholders' say-on-pay at the 2019 AGMs of the 100 largest Italian listed companies by some governance characteristics**

		total dissent ¹		institutional investors dissent on total votes ²		institutional investors dissent on total votes by institutional investors ³	
		mean	max	mean	max	mean	max
minority director	yes	11.5	56.2	10.9	47.6	41.4	98.9
	no	10.6	32.4	10.5	32.4	49.8	96.5
independent directors >50%	yes	10.7	56.2	9.9	47.6	36.7	91.3
	no	12.0	32.4	11.9	32.4	54.3	98.9
institutional investor with major stakes	yes	12.0	56.2	10.7	47.6	30.4	77.0
	no	10.8	32.4	10.8	32.4	51.9	98.9

Source: minutes of Italian listed companies AGMs. For the sample definition see Tab. 3.1. ¹ Dissent-votes (including abstentions) in percentage of total votes. ² Institutional investors' dissent-votes (including abstentions) in percentage of total votes. ³ Institutional investors' dissent-votes (including abstentions) in percentage of total votes by institutional investors.

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Related party transactions

Material RPTs

Since 2011, material Related Party Transactions (hereinafter RPTs) reported by Italian listed companies – pursuant to the relevant Consob Regulation – amount to 547 (30 RPTs in the first half of 2019). Such transactions have been more frequently entered into by small-sized companies and in the financial sector (Tab. 4.1 and Tab. 4.2).

In line with the taxonomy developed by Atanasov et al. (2008) on tunnelling transactions, RPTs have been categorized into three major types – asset, cash flow and equity tunnelling – based on the nature of the resource transferred to/from the company's related party. Overall, the largest group of material RPTs entails the transfer of a portion of companies' cash flow, mostly in the form of financing contracts or other contracts (52% of the total). Over 30% of material RPTs encompass the transfer of major long-term assets, while 17% of transactions consist of mergers, reserved capital increase or other transactions resulting in a rearrangement of the related party's ownership claims over the firm's equity (Tab. 4.3).

Looking at the counterparty, 82% of all RPTs have been entered into with the controlling shareholders or with other shareholders exerting significant influence over the company. Infra-group transactions (with subsidiary or associate companies) account for nearly 13% of the total, while less than 5% of RPTs involve non-shareholder directors or key managers or firms affiliated with them. In the first semester of 2019, the largest group of reported RPTs consisted of equity transactions, especially due to group reorganisations resulting in reduction of pyramids (37%), and were entered into with controlling shareholders (73%; Tab. 4.3).

Material RPTs in the ordinary course of business

Since 2011, listed companies have also entered into material, arm's length RPTs in the ordinary course of business, that benefit of a waiver from the disclosure obligations set forth by Consob Regulation. Pursuant to such waiver, 216 material RPTs in the ordinary course of business have been reported to Consob, especially by large companies (included in the Ftse Mib Index) across every industry (Tab. 4.4 and Tab. 4.5).

The largest group of material RPTs in the ordinary course of business relates to the company's operating activities, i.e. the supply of typical goods and services for non-financial companies and financing contracts for banks (respectively, 35.2% and 31.5% of all material RPTs in the ordinary course of business). Other material RPTs in the ordinary course of business, overall accounting for 31.5% of total transactions, involve the funding of/by non-financial firms, benefiting of the waiver being closely related to the operating activities. Material RPTs in the ordinary course of business mostly occur with controlling or major shareholders (88% of the total). Finally, 50% of the 10 ordinary RPTs in the first semester of 2019 entailed bank financing with the controlling company (Tab. 4.6).

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Tab. 4.1 – Material related party transactions disclosed by Italian listed companies by market index
(for 2019, first semester)

	Ftse Mib	Mid Cap ¹	Star ¹	other	total
2011	6	13	9	52	80
2012	6	14	5	54	79
2013	10	14	7	45	76
2014	3	3	3	45	54
2015	7	3	8	34	52
2016	5	13	9	24	51
2017	4	6	9	44	63
2018	4	11	14	33	62
2019	6	3	2	19	30
<i>total</i>	<i>51</i>	<i>80</i>	<i>66</i>	<i>350</i>	<i>547</i>

Source: Consob. Data on Italian companies listed on Borsa Italiana spa - Mta Stock Exchange. ¹ Companies both in the Star and in the Mid Cap indexes are included only in the Star category.

Tab. 4.2 – Material related party transactions disclosed by Italian listed companies by industry
(for 2019, first semester)

	financial	industrial	services	total
2011	39	24	17	80
2012	43	17	19	79
2013	23	27	26	76
2014	24	13	17	54
2015	20	13	19	52
2016	17	20	14	51
2017	31	20	12	63
2018	26	22	14	62
2019	10	16	4	30
<i>total</i>	<i>233</i>	<i>172</i>	<i>142</i>	<i>547</i>

Source: Consob. Data on Italian companies listed on Borsa Italiana spa - Mta Stock Exchange; industry classification by Borsa Italiana spa.

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Tab. 4.3 – Material related party transactions disclosed by Italian listed companies by type of transaction and counterparty
(for 2019, first semester)

	object			counterparty		
	asset	cash flow	equity	controlling or major shareholder	subsidiary or associate company	director
2011	25.0	56.3	18.8	75.0	17.5	7.5
2012	22.8	54.4	22.8	78.5	15.2	6.3
2013	34.2	50.0	15.8	94.7	1.3	3.9
2014	24.1	53.7	22.2	90.7	9.3	--
2015	32.7	53.8	13.5	90.4	7.7	1.9
2016	33.3	54.9	11.8	72.6	19.6	7.8
2017	33.3	55.6	11.1	76.2	19.0	4.8
2018	38.7	50.0	11.3	82.3	14.5	3.2
2019	33.3	30.0	36.7	73.3	16.7	10.0
<i>total</i>	<i>30.3</i>	<i>52.3</i>	<i>17.4</i>	<i>81.9</i>	<i>13.2</i>	<i>4.9</i>

Source: Consob. Data on companies listed on Borsa Italiana spa - Mta Stock Exchange. The transaction classification is based on the tunnelling taxonomy developed by Atanasov, Vladimir A. and Black, Bernard S. and Ciccotello, Conrad S., Unbundling and Measuring Tunneling (November 20, 2014), published in 2014 University of Illinois Law Review 1697-1738. Cash flow tunnelling involves the company's cash flow but does not affect long-term productive assets (e.g., purchase/sale of inputs or outputs, loans). Asset tunnelling consists of the transfer of major long-term assets from or to the firm, with a long-term effect on its cash-generating capacity. Equity tunnelling increases the controller's share of the firm's value compared to that of minority shareholders (e.g., mergers with related parties, reserved capital increase). Percentage of material RPTs falling in the relevant category on the total number of material RPTs disclosed in the relevant year.

Tab. 4.4 – Material related party transactions in the ordinary course of business exempted from disclosure and approval requirements by market index
(for 2019, first semester)

	Ftse Mib	Mid Cap ¹	Star ¹	other	<i>total</i>
2011	14	4	1	19	<i>38</i>
2012	20	1	3	4	<i>28</i>
2013	10	4	5	3	<i>22</i>
2014	17	6	2	--	<i>25</i>
2015	20	13	1	2	<i>36</i>
2016	12	1	--	1	<i>14</i>
2017	9	7	2	4	<i>22</i>
2018	15	2	2	2	<i>21</i>
2019	5	1	--	4	<i>10</i>
<i>total</i>	<i>122</i>	<i>39</i>	<i>16</i>	<i>39</i>	<i>216</i>

Source: Consob. Data on Italian companies listed on Borsa Italiana spa - Mta Stock Exchange. ¹ Companies both in the Star and in the Mid Cap indexes are included only in the Star category.

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Tab. 4.5 – Material related party transactions in the ordinary course of business exempted from disclosure and approval requirements by industry
(for 2019, first semester)

	financial	industrial	services	total
2011	9	13	16	38
2012	8	7	13	28
2013	4	9	9	22
2014	6	10	9	25
2015	12	16	8	36
2016	11	3	--	14
2017	7	10	5	22
2018	10	7	4	21
2019	5	3	2	10
<i>total</i>	<i>72</i>	<i>78</i>	<i>66</i>	<i>216</i>

Source: Consob. Data on Italian companies listed on Borsa Italiana spa - Mta Stock Exchange. Industry classification by Borsa Italiana spa.

Tab. 4.6 – Material related party transactions in the ordinary course of business exempted from disclosure and approval requirements by type of transaction and counterparty
(for 2019, first semester)

	nature of the transaction				counterparty		
	supply of goods and services	financing/ financial services by banks	financing by other companies	other transfers	controlling or major shareholder	subsidiary or associate company	director
2011	50.0	23.7	26.3	--	86.8	2.6	10.5
2012	25.0	28.6	35.7	10.7	78.6	14.3	7.1
2013	45.5	13.6	40.9	--	72.7	22.7	4.5
2014	44.0	20.0	36.0	--	92.0	8.0	--
2015	16.7	33.3	50.0	--	86.1	11.1	2.8
2016	7.1	71.4	14.3	7.1	85.7	14.3	--
2017	45.5	27.3	27.3	--	100.0	--	--
2018	42.9	47.6	9.5	--	100.0	--	--
2019	30.0	50.0	20.0	--	100.0	--	--
<i>total</i>	<i>35.2</i>	<i>31.5</i>	<i>31.5</i>	<i>1.8</i>	<i>88.0</i>	<i>8.3</i>	<i>3.7</i>

Source: Consob. Data on Italian companies listed on Borsa Italiana spa - Mta Stock Exchange. Percentage of RPTs falling in the relevant category on the total number of material RPTs in the ordinary course of business reported to Consob in the relevant year.

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Focus: remuneration and sustainability

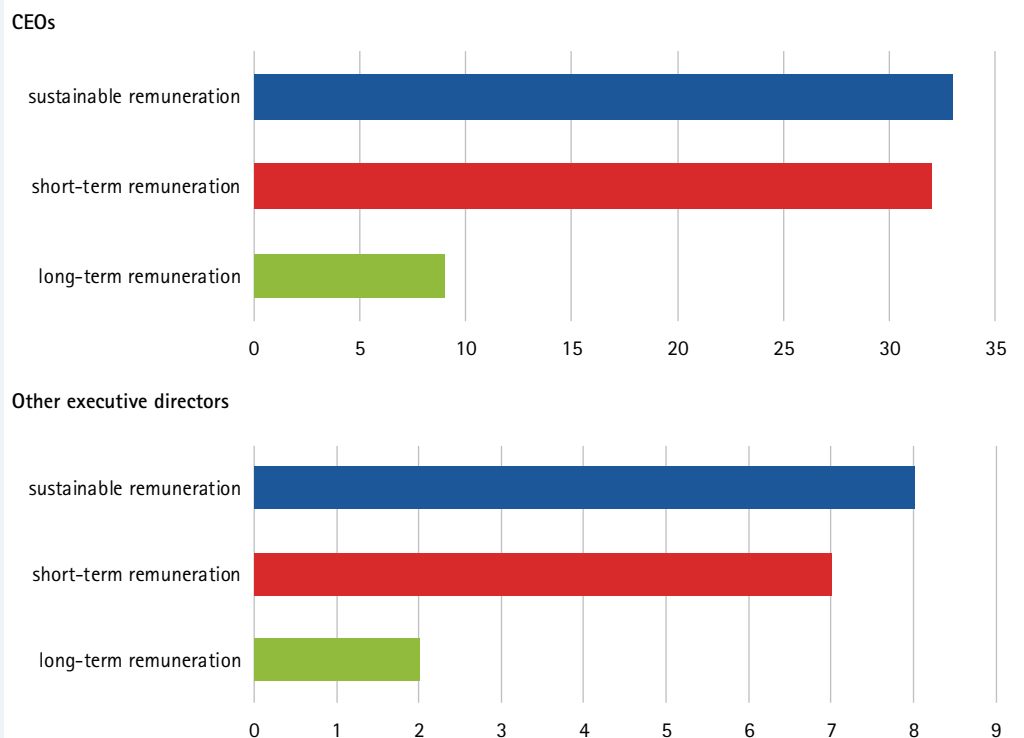
Chief executive officers

At the end of 2018, 33 listed companies link their CEOs remuneration to sustainability, through either the short-term component (32 cases) or the long-term component (nine cases).

As for the remuneration of executive directors other than CEOs, eight listed companies link ESG factors to variable remuneration. In six companies ESG factors refer to short-term compensation, in one to long-term remuneration and in another one to both short and long term compensation.

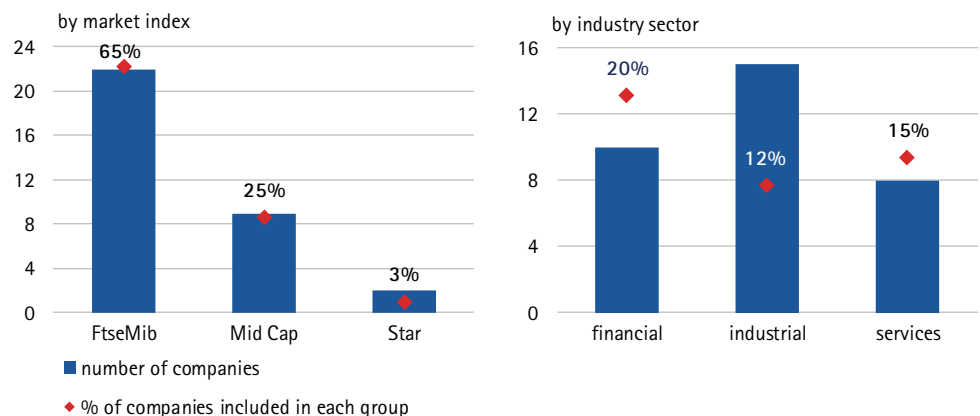
The majority of the firms envisaging sustainable remunerations for the CEOs belongs to the Ftse Mib index (22 companies, representing 65% of the index), followed by Mid Cap and Star. As for the industry, sustainable remunerations are envisaged in 10 financial companies (20.4% of the industry), 15 industrial firms (12% of all industrial companies) and eight service issuers (14.5% of the sector).

Fig. 5.1 – ESG factors in the remuneration of board directors of Italian listed companies (number of companies at the end of 2018)



Source: remuneration reports of Italian companies with ordinary shares listed on Borsa Italiana spa - Mta Stock Exchange.

Fig. 5.2 – ESG factors in the remuneration of CEOs of Italian listed companies by market index and industry (end of 2018)



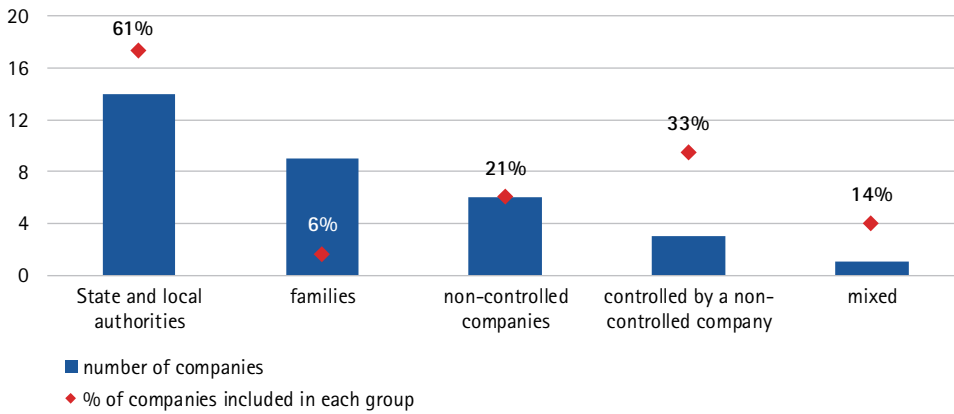
Source: remuneration reports of Italian companies with ordinary shares listed on Borsa Italiana spa - Mta Stock Exchange. Companies both in the Star and in the Mid Cap indexes are included only in the Star category.

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Fig. 5.3 – ESG factors in the remuneration of CEOs of Italian listed companies by identity of the 'ultimate controlling agent' (UCA)

(end of 2018)



Source: remuneration reports of Italian companies with ordinary shares listed on Borsa Italiana spa - Mta Stock Exchange. For the definition of UCA see Tab. 1.4.

Short-term remuneration

Fig. 5.4 – ESG factors in the short-term remuneration of CEOs of Italian listed companies

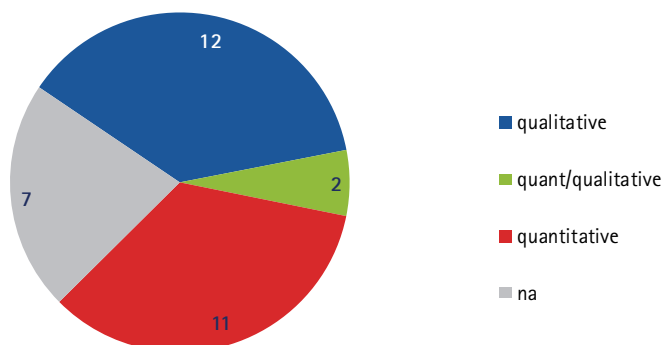
(end of 2018)



Source: remuneration reports of Italian companies with ordinary shares listed on Borsa Italiana spa - Mta Stock Exchange. Data refer to 24 out of 32 firms, as for 8 firms the information is not available or cannot be used for computational purposes. Figures do not include two firms using ESG parameters as ex-post corrective factors.

Fig. 5.5 – Breakdown of ESG factors in the short-term remuneration of CEOs of Italian listed companies by type of metrics

(number of companies at the end of 2018)



Source: remuneration reports of Italian companies with ordinary shares listed on Borsa Italiana spa - Mta Stock Exchange.

Sustainable remunerations are more common among State-owned enterprises (14 firms controlled by the State and/or a local authority representing 61% of all SOEs), and less frequent among family companies (9 firms accounting for 6% of the segment).

The percentage of CEOs short-term sustainable compensation is on average 14% of the total remuneration, ranging between 5% and 35%.

The metrics used to measure the ESG parameters are qualitative in 12 cases, quantitative in 11 cases, and both qualitative and quantitative in two cases, whereas in the remaining seven cases they are not specified.

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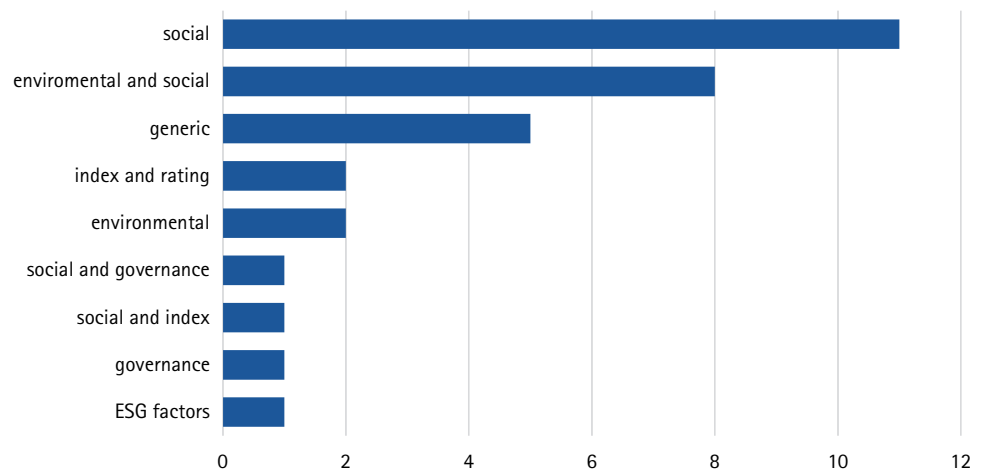
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Remuneration is mainly linked to social factors (11 cases) and to both social and environmental factors (eight cases). In five cases the description of the ESG link is so generic to make any classification difficult. Finally, two firms bind short-term CEOs compensation to the company's inclusion in a specific sustainability index or to the achievement of a specified sustainability rating.

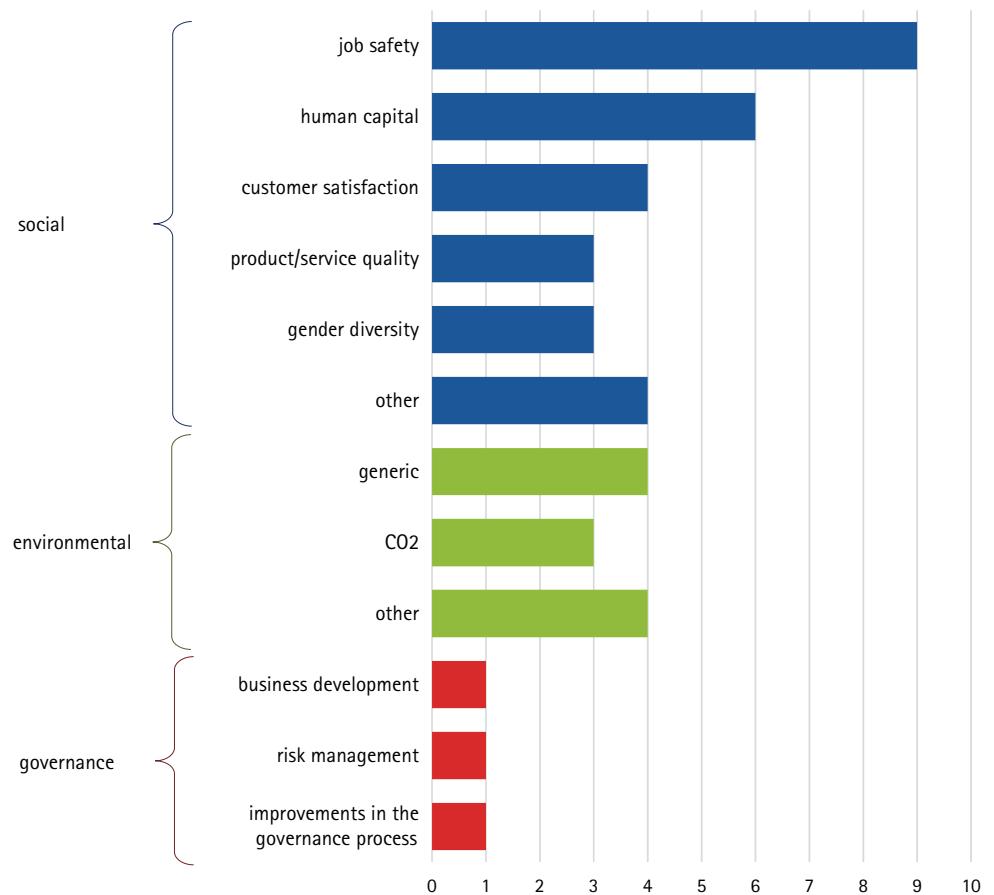
The specific themes taken into consideration are mainly connected to social issues and, in particular, to job safety (in nine cases) and to human capital (in six cases). Environmental issues are either generic (four cases) or related to CO2 emissions.

Fig. 5.6 – Breakdown of ESG factors in the short-term remuneration of CEOs of Italian listed companies by sustainability parameters



Source: remuneration reports of Italian companies with ordinary shares listed on Borsa Italiana spa - Mta Stock Exchange.

Fig. 5.7 – Parameters in the short-term remuneration of CEOs of Italian listed companies



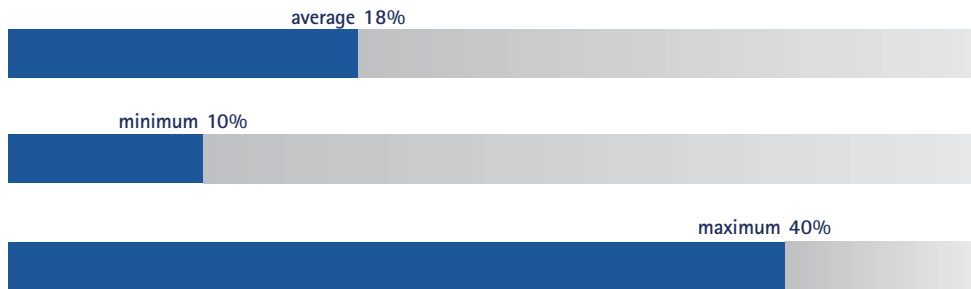
Source: remuneration reports of Italian companies with ordinary shares listed on Borsa Italiana spa - Mta Stock Exchange.

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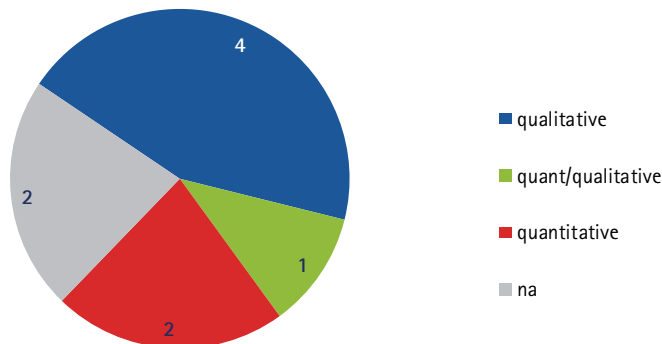
Long-term remuneration

Fig. 5.8 – ESG factors in the long-term remuneration of CEOs of Italian listed companies
(end of 2018)



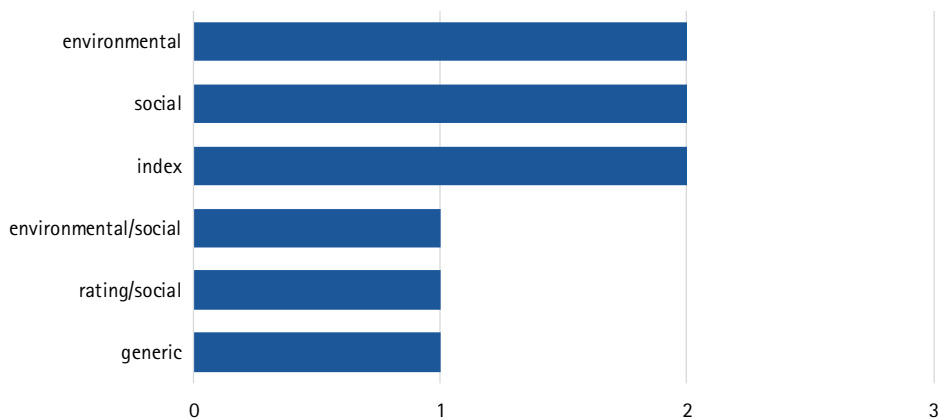
Source: remuneration reports of Italian companies with ordinary shares listed on Borsa Italiana spa - Mta Stock Exchange. Data refer to 5 out of 9 firms, as for 4 firms the information is not available or cannot be used for computational purposes. Figures do not include two firms using ESG parameters as ex-post corrective factors.

Fig. 5.9 – Breakdown of ESG factors in the long-term remuneration of CEOs of Italian listed companies by type of metrics
(number of companies at the end of 2018)



Source: remuneration reports of Italian companies with ordinary shares listed on Borsa Italiana spa - Mta Stock Exchange.

Fig. 5.10 – Breakdown of ESG factors in the long-term remuneration of CEOs of Italian listed companies by sustainability parameters



Source: remuneration reports of Italian companies with ordinary shares listed on Borsa Italiana spa - Mta Stock Exchange.

The proportion of long-term CEOs remuneration linked to ESG factors is on average 18%, ranging between 10% and 40% of the total long-term compensation.

The metrics are qualitative in four cases, quantitative in two and both qualitative and quantitative in one case.

Among the nine firms envisaging sustainable long-term compensation, two issuers link their remuneration to environmental factors (CO2 emissions), two consider social factors (customer satisfaction, gender diversity, financial education), whereas one includes both. In two cases the level of remuneration depends on the firm's placement in a specific sustainability index.

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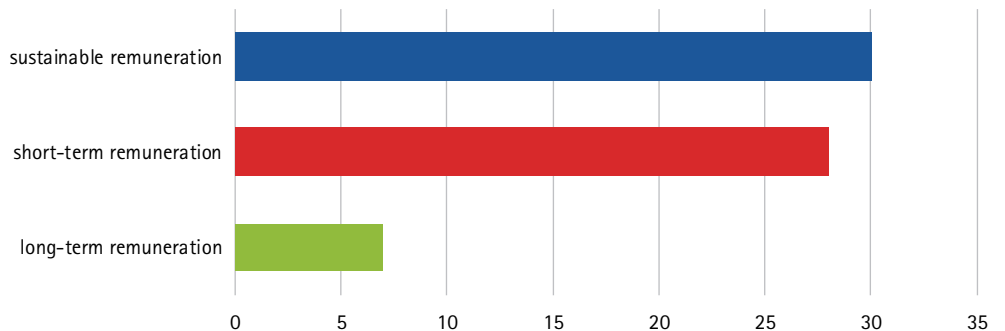
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Executives with strategic responsibilities

Finally, 30 firms integrate ESG factors into the remuneration of executives with strategic responsibilities (ESRs), with 27 of them foreseeing sustainable remuneration also for the CEO. Short-term and long-term remunerations of ESRs are correlated with sustainable parameters in 28 and seven firms, respectively.

Fig. 5.11 – ESG factors in the remuneration of ESRs and CEOs of Italian listed companies

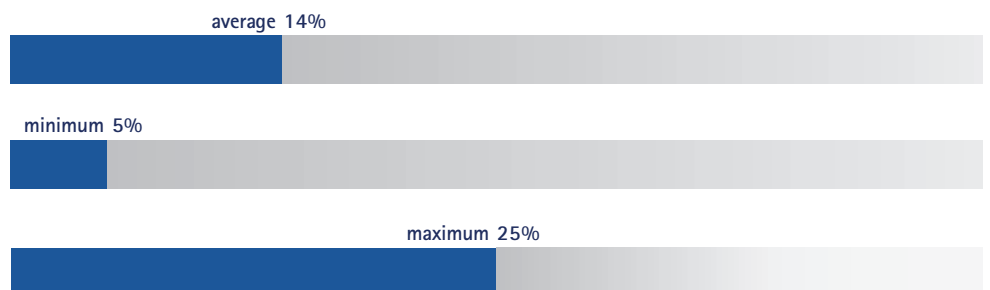


Source: remuneration reports of Italian companies with ordinary shares listed on Borsa Italiana spa - Mta Stock Exchange.

Short-term remuneration

On average, 14% of the short-term ESRs compensation is linked to ESG factors (ranging between 5% and 25%).

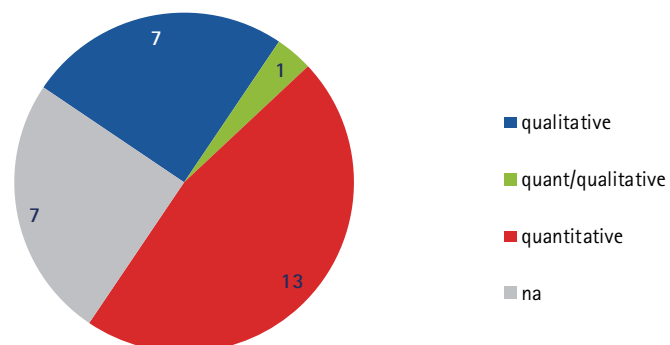
Fig. 5.12 – ESG factors in the short-term remuneration of ESRs of Italian listed companies (end of 2018)



Source: remuneration reports of Italian companies with ordinary shares listed on Borsa Italiana spa - Mta Stock Exchange. Data refer to 17 out of 28 firms, as for 11 firms the information is not available or cannot be used for computational purposes.

Metrics are quantitative in 13 cases, qualitative in seven cases and both quantitative and qualitative in one case.

Fig. 5.13 – Breakdown of ESG factors in the short-term remuneration of ESRs of Italian listed companies by type of metrics (number of companies at the end of 2018)

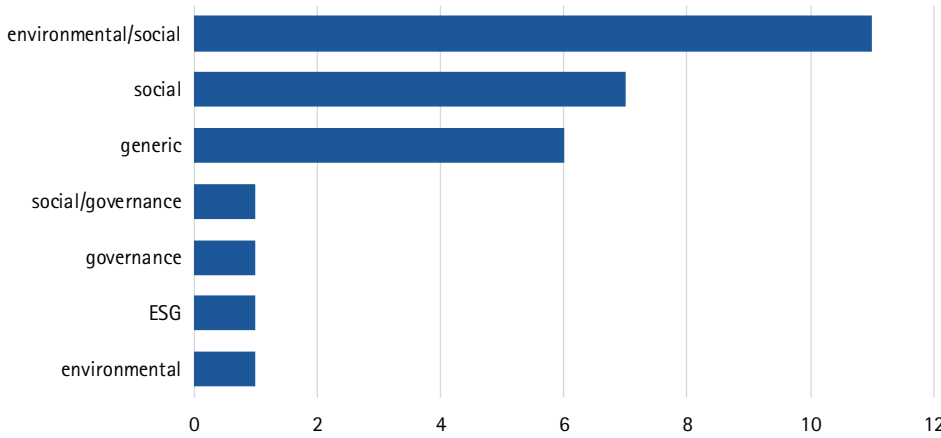


Source: remuneration reports of Italian companies with ordinary shares listed on Borsa Italiana spa - Mta Stock Exchange.

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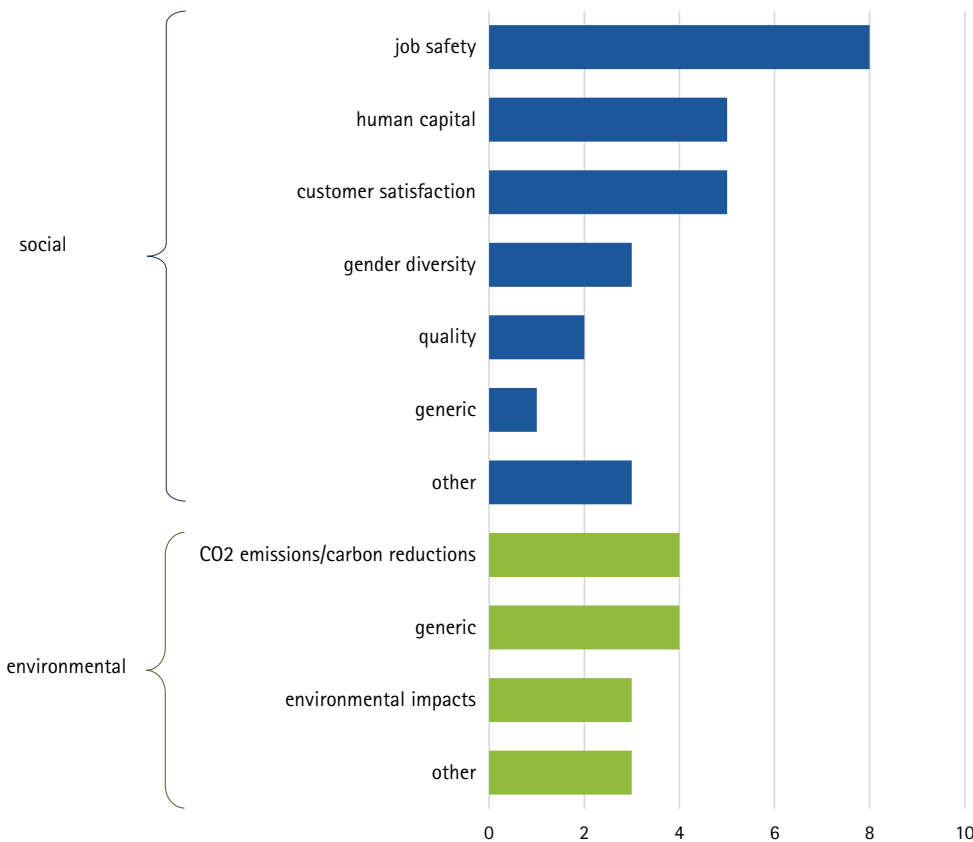
Fig. 5.14 – Breakdown of ESG factors in the short-term remuneration of ESRs of Italian listed companies by sustainability parameters



Source: remuneration reports of Italian companies with ordinary shares listed on Borsa Italiana spa - Mta Stock Exchange.

Environmental and social parameters are the most commonly mentioned ESG factors.

Fig. 5.15 – Parameters in the short-term remuneration of ESRs of Italian listed companies



Source: remuneration reports of Italian companies with ordinary shares listed on Borsa Italiana spa - Mta Stock Exchange.

As for the specific themes, social parameters concern mainly job safety (in eight cases), human capital (in five cases) and customer satisfaction (in five cases). Environmental issues are either generic (in four cases) or related to CO2 emissions (in four cases) or to environmental impacts.

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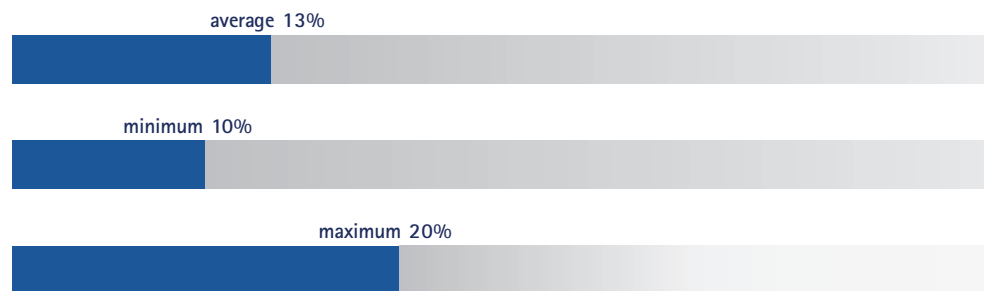
The long-term remuneration of executives with strategic responsibilities is connected to sustainability parameters in seven cases. The average proportion of the compensation linked to ESG factor is 13% (ranging between 10% and 20%).

Parameters are quantitative in three cases and both quantitative and qualitative in two cases.

As for the parameters considered, two firms refer to environmental issues, one to social factor, another to both. Two firms link the compensation to the company's inclusion in a specific sustainability index. Lastly, in one case the remuneration is linked to both social and governance parameters.

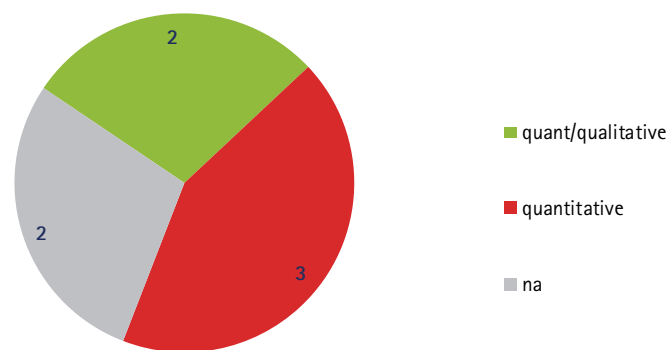
Long-term remuneration

Fig. 5.16 – ESG factors in the long-term remuneration of ESRs of Italian listed companies



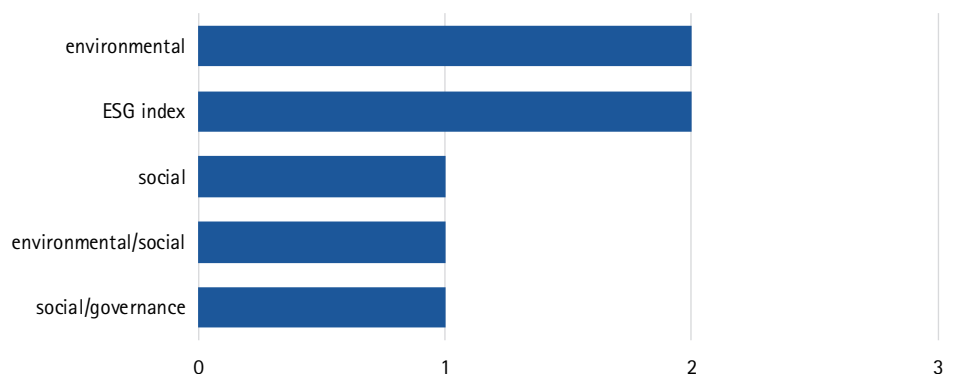
Source: remuneration reports of Italian companies with ordinary shares listed on Borsa Italiana spa - Mta Stock Exchange. Data refer to 6 out of 7 firms, as for one firm the information is not available or cannot be used for computational purposes.

Fig. 5.17 – Breakdown of ESG factors in the short-term remuneration of ESRs of Italian listed companies by type of metrics
(number of companies at the end of 2018)



Source: remuneration reports of Italian companies with ordinary shares listed on Borsa Italiana spa - Mta Stock Exchange.

Fig. 5.18 – Breakdown of ESG factors in the long-term remuneration of ESRs of Italian listed companies by sustainability parameters



Source: remuneration reports of Italian companies with ordinary shares listed on Borsa Italiana spa - Mta Stock Exchange.