

**Guidance for shareholders and candidate auditors  
for the renewal of the Board of Statutory Auditors of De Longhi S.p.A.**

This document has been approved by the outgoing Board of Statutory Auditors at the meeting held on 12 March 2025, in accordance with the rules of conduct of the Board of Statutory Auditors of listed companies issued by the National Council of Chartered Accountants and Accounting Experts in December 2024.

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Dear Shareholders,

The term of office of the current Board of Statutory Auditors expires with the approval of the financial statements at 31 December 2024 of De'Longhi S.p.A. (hereinafter also the '**Company**'). The next Annual General Meeting, convened for 30 April 2025, will therefore appoint the Company's control body for the financial years 2025-2027 and shall determine the relative remuneration.

The Rule of Conduct Q.1.5 of the Board of Statutory Auditors of listed companies, issued by the National Council of Chartered Accountants and Accounting Experts in December 2024, states that: *'taking into account its own experience and the results of the self-assessment, it is good practice for the outgoing board of statutory auditors to convey its guidance to shareholders, in view of renewal, regarding the professional profiles and skills that will complement appropriately the qualitative composition of the board, as well as the time commitment required to perform the assignment and the appropriate remuneration to attract people of sufficient standing, without neglecting the provision of Law No. 49 of 21 April 2023. This document should be published on the company's website in good time with respect the publication of the notice calling the annual general meeting relating to the renewal of the board.'*

This document gives the information required under the aforementioned rule.

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**Considerations on the qualitative and quantitative composition of the Board of Statutory Auditors**

In light of the above, the Board of Statutory Auditors of De' Longhi S.p.A. is called upon to identify the optimal composition of the future control body, from a qualitative and quantitative perspective, taking into account that the professional skills of the auditors must be adequate to the duties they are called upon to perform within the body itself, also in consideration of the Company's size and operational complexity, as well as the future challenges that the Company will have to address.

In submitting its guidelines on the optimal qualitative and quantitative composition of the future control body to Shareholders, the Board of Statutory Auditors has taken into account the findings of the Self-Assessment Process on the size, composition and functioning of the Board of Statutory Auditors carried out with the support of Egon Zehnder International S.p.A.

With reference to the quantitative composition, all the members of the Board of Statutory Auditors consider the current size of the Board of Statutory Auditors, consisting of three standing auditors and

two alternate auditors, as provided for in Article 14 of the Articles of Association of De' Longhi S.p.A., to be adequate and should be maintained in the future.

With reference to the qualitative profile, the Statutory Auditors expressed a positive opinion on the current composition of the Board of Statutory Auditors in terms of professional skills, expertise, knowledge and experience, which have enabled it to fulfil the Board's responsibilities effectively.

When considering the qualitative profile of the new Board of Statutory Auditors, the outgoing Board has considered that, in order to ensure an optimal qualitative composition of the new Board of Statutory Auditors, it would be advisable for it to include a broad spread of knowledge and experience in the areas listed below:

- knowledge of the internal control system and risk management methodologies;
- knowledge of corporate governance processes;
- knowledge of internal audit processes;
- knowledge of the statutory audit of accounts;
- technical expertise in administrative accounting and taxation;
- expertise in remuneration policy;
- accounting and financial reporting;
- expertise in finance and the functioning of financial markets.

Particular relevance is also given to the so-called soft skills and aptitude profiles below:

- authenticity and independence of thought;
- adequate availability of time and energy;
- ability to collaborate;
- ability to interact with top management;
- ability to integrate ESG issues into the strategic and business vision;
- ability to manage conflicts constructively;
- decision-making ability.

Therefore, in addition to the combination of skills listed above, the members of the Board of Statutory Auditors should also preferably possess the personal requirements necessary to work in a team and to manage complexities in a constructive and balanced way, ideally properly coordinated by an authoritative Chairman who also interacts actively with company management and members of the board of directors.

The Board of Statutory Auditors also stresses the importance of valuing profiles characterised by transversal and multi-disciplinary skills as well as, particularly for the role of Chairman, candidates with previous experience and governance skills gained in the corporate bodies of listed companies or, in any case, companies of a complexity and size comparable to De'Longhi S.p.A.

In light of the experience gained during the three-year term of office, 'diversity' is deemed to be adequately represented in the outgoing Board of Statutory Auditors in all the aspects considered, namely gender, age, expertise, professional experience and duration of permanence in office. In view of the renewal, the Board of Statutory Auditors considers it advisable to continue along the path taken, with respect to the enhancement of diversity, as outlined above, taking into account the requirements set out in '*Diversity policies for the members of the corporate bodies of De' Longhi S.p.A.*' in force at De' Longhi S.p.A., available on its website [www.delonghigroup.com](http://www.delonghigroup.com) (section '*Governance*' – '*Company Documents*').

Lastly, in view of the forthcoming renewal, the Board would advise a governance arrangement that would favour, as far as possible, elements of continuity, enhancing the body's wealth of information and historical memory.

### **Considerations on the time commitment required to perform the assignment and on remuneration**

It is understood that the control body of a listed parent company is engaged in various oversight and control activities that also concern the subsidiaries. These activities presuppose, primarily, the following basic skills: accounting processes and the preparation of separate and consolidated financial statements; national and international accounting standards; financial planning; economic and financial valuations; valuations for the purpose of impairment testing; risk management and internal control systems; internal audit; compliance; statutory audit.

At the same time, the areas falling within the Board's oversight are gradually widening, including, for example, sustainability (ESG), corporate governance, enterprise risk management (ERM), product and process innovation, information technology, data protection, cyber security, and procedures to contain actual and/or potential risks.

Added to this is the ever-increasing organisational complexity of the De Longhi Group, which in recent years has recorded exceptional growth rates, especially as a result of acquisitions, new production investments and the gradual development of e-commerce. To date, the De Longhi Group is a multinational company and world leader in several segments of the small household appliances industry.

This has resulted in a further expansion of the expertise required of Board members, including corporate finance, extraordinary financial transactions, company valuation, knowledge of new distribution strategies, domestic and international taxation and company law.

As a result of all of the above, there has been a gradual increase in the amount of time devoted by the Board both to the usual audits and to participation in meetings of the Board of Directors and of the Board Committees.

The following table shows the number of meetings of the Board of Statutory Auditors, of the Board of Directors and of Board committees, as well as induction initiatives and annual general meetings. This table provides an initial indication of the commitment required of the members of the control body who participated collectively in the above meetings. On average, in the last three years, members of the Board of Statutory Auditors participated in around 46 meetings a year, lasting around 3 hours each.

<b>Riunioni</b>	<b>2022</b>	<b>2023</b>	<b>2024</b>	<b>triennio</b>
Collegio Sindacale	13	10	11	34
CdA	11	7	5	23
CCR	8	5	8	21
CRN	14	13	13	40
Comitato Indipendenti	0	14	0	14
Induction	1	1	1	3
Assemblee	1	1	1	3
<b>Totale</b>	<b>48</b>	<b>51</b>	<b>39</b>	<b>138</b>

In addition to the time spent at meetings, there is also the time spent preparing for the meetings, or reading the relevant documents, and also the time needed to prepare the specific reports required of

the Board of Statutory Auditors, such as the report on the separate financial statements, comments of the Board of Statutory Auditors on the additional report of the statutory auditors, drafting/review of the minutes of the Board of Statutory Auditors meetings, preparation of the documents to send to Consob, authorisations of non-audit activities, oversight of the process for selecting statutory auditors, the Board of Statutory Auditors' self assessment, participation in the preparation/updating of the Company's policies and regulations, informal meetings between the members of the Board of Statutory Auditors, specific opinions requested of the Board of Statutory Auditors, independent examination of aspects peculiar to the fulfillment of the office, so as to continuously update members' preparation.

The Statutory Auditors that will be appointed must therefore be aware that the office will take up a significant part of their time.

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Following a specific recommendation by the Chairman of the Corporate Governance Committee, the outgoing Board of Statutory Auditors promoted a benchmark analysis on the remuneration of the boards of statutory auditors of comparable companies. This analysis was carried out by the consulting firm Mercer Italia S.r.l.

This analysis showed that the annual remuneration currently paid to the Chairman and to the members of the Board of Statutory Auditors, respectively €70,000 and €48,000, is positioned between the median and the third quartile, when considering both the total emolument and the average hourly remuneration, of the sample considered, which consists of thirteen varied companies in terms of sector, size and organisational complexity: the sample includes, for example, Marie Tecnimont, Moncler, Brembo, Amplifon, Piaggio & C., Safilo Group, Interpump Group and Technogym. This variety is reflected in the variability of the related remunerations, ranging from a maximum of €80,000/60,000 to a minimum of €30,000/20,000 for the Chairman and the members of the Board of Statutory Auditors, respectively. The values of the first and third quartiles of the sample are €54,000/75,250 for the Chairman and €36,000/58,500 for members of the Board of Statutory Auditors, respectively.

If attendance at the meetings of the Board of Directors is taken into account (without, however, taking into account participation in the Board committees), the average hourly remuneration drops, compared to the benchmark, between the first quartile and the median.

With respect to the current remuneration of members of the Board of Statutory Auditors and considering the duties performed, the relative responsibilities and the growing complexity and commitment required, it is hoped that the Shareholders would consider this and possibly make a slight upward revision, which also takes into account participation of the Board of Statutory Auditors as a whole in all the Board committees. In view of the renewal, this hope is also understood as being conducive to attracting candidate profiles with the desired calibre of experience and seniority.

The Board of Statutory Auditors also observes that the adequacy of the remuneration of the Chairman and the members of the Board of Statutory Auditors should also be verified in relative terms with respect to the remuneration paid to non-executive directors of the same Company who hold positions of comparable responsibilities and commitments, including remuneration for participation in the Board committees. From this perspective, the remuneration of the Board of Statutory Auditors should more appropriately reflect the greater commitment required of the Board of Statutory Auditors compared to that devoted by non-executive directors, including where engaged in the Board committees.

The members of the outgoing Board of Statutory Auditors note that the remuneration currently paid to the Chairman and members of the Board was approved by the annual general meeting in 2022, but the size and organisational complexity of the De' Longhi Group have continued to grow in recent years.

Milan, 12 March 2025

Chairman of the Board of Statutory Auditors of De' Longhi S.p.A.



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(Cesare Conti)