

Statistics and analyses

Report on corporate governance
of Italian listed companies



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This publication 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.

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La *corporate governance* delle società quotate italiane

Modelli di controllo e assetti proprietari

Le evidenze relative alle 230 società quotate sull'Mta a fine 2016 confermano la netta prevalenza di emittenti (circa 7 casi su 10) nel cui azionariato è presente un socio di riferimento (di maggioranza assoluta o relativa del capitale). Tra le imprese non controllate, si registra il calo delle società cooperative da 7 nel 2015 a 4 nel 2016, conseguente all'emanazione della legge 33/2015. Rimane stabile la quota media detenuta dal principale azionista (47% del capitale ordinario). Le famiglie continuano a controllare la maggior parte delle imprese (146 società, appartenenti principalmente al settore industriale, per una capitalizzazione pari al 33% del mercato), seguite da Stato ed enti locali (21 società, operanti per lo più nel settore dei servizi, per una capitalizzazione pari al 36% del mercato), mentre nel 18% dei casi, relativi prevalentemente al comparto finanziario, non è individuabile un controllante.

Partecipazioni rilevanti degli investitori istituzionali

A fine 2016 gli investitori istituzionali detengono partecipazioni rilevanti in 61 società. Il dato – la cui serie storica è stata rettificata per tener conto dell'innalzamento dal 2% al 3% della soglia di trasparenza proprietaria avvenuto nel 2016 – conferma la flessione nel numero di società partecipate dagli investitori istituzionali, già delineatasi nel biennio precedente per effetto della netta e progressiva diminuzione della presenza di investitori italiani solo parzialmente compensata dalla maggiore presenza di investitori esteri. La quota media di capitale detenuta da investitori istituzionali rilevanti nelle società partecipate è pari nel 2016 al 7,5%, in leggera flessione rispetto agli anni precedenti. Gli investitori istituzionali italiani investono in prevalenza in società a minor capitalizzazione, mentre quelli esteri detengono più frequentemente partecipazioni rilevanti in società a medio-alta capitalizzazione e attive nel settore finanziario.

Separazione fra proprietà e controllo

Continua a ridursi il ricorso a strumenti di separazione tra proprietà e controllo. A fine 2016, infatti, l'80% delle società non appartiene ad alcun gruppo piramidale od orizzontale (il dato si attestava al 56% nel 1998), mentre solo il 16,5% fa parte di un gruppo verticale (39% nel 1998). Al contempo, è aumentato il numero di emittenti che hanno deciso di avvalersi delle opzioni introdotte dal cosiddetto Decreto Competitività (d.l. 91/2014). In particolare, 33 società quotate hanno previsto nel proprio statuto il meccanismo della maggiorazione del diritto di voto in favore di coloro che sono azionisti da almeno due anni (azioni a voto maggiorato), mentre un emittente ha emesso in fase di quotazione azioni a voto plurimo. L'adozione di tali strumenti ha interessato in prevalenza società di piccole dimensioni, operanti nel settore industriale e caratterizzate da un modello di controllo familiare.

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

A fine 2016, in linea con le evidenze passate, i consigli di amministrazione delle 225 società che adottano il modello tradizionale sono composti in media da circa 10 membri. Gli amministratori indipendenti (secondo i requisiti del Codice di Autodisciplina e/o del Testo Unico della Finanza - Tuf) sono in media 5 (47,6% del totale), mentre quelli di minoranza sono 2 e sono presenti in 96 imprese.

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Poco più dei due terzi degli emittenti, soprattutto di maggiori dimensioni, conta almeno un amministratore titolare di incarichi di amministrazione in altre società quotate (*interlocker*). Il fenomeno interessa circa un quarto dell'organo amministrativo in 75 società e una percentuale compresa tra il 25 e il 50% in 78 imprese. Con sempre maggiore frequenza, inoltre, le donne ricoprono incarichi di amministratore in più di un emittente (31% rispetto al 18% nel 2013).

Continua a crescere il numero di società che istituiscono comitati interni al *board*: tale dinamica è particolarmente evidente per il comitato nomine, presente a fine 2016 nel 57% delle imprese (20% nel 2011). In linea con il dato dello scorso anno, 184 emittenti dichiarano di avere svolto il processo di autovalutazione, mentre 39 società hanno adottato un piano di successione (30 nel 2015).

In materia di *board diversity*, negli ultimi cinque anni si colgono alcuni cambiamenti prevalentemente guidati dall'applicazione della legge 120/2011. A fine giugno 2017 la presenza femminile ha raggiunto un terzo del totale degli incarichi di amministratore (33,6%), quota obiettivo della legge 120/2011. La ricomposizione per genere ha comportato una riduzione dell'età media dei consiglieri, un aumento del numero di laureati e una maggiore diversificazione dei profili professionali. Le donne sono infatti mediamente più giovani degli uomini e più frequentemente presentano un *background* professionale accademico o da consulente rispetto a quello manageriale. Si segnala, altresì, una minore presenza di amministratori *family* (ossia, di consiglieri che sono anche azionisti di controllo ovvero a essi legati da vincoli di parentela). Le caratteristiche del *board* mostrano una certa eterogeneità a seconda dell'identità dei controllanti (nelle società controllate da un'istituzione finanziaria, gli amministratori sono mediamente più giovani, più frequentemente stranieri e laureati) e dell'eventuale legame con l'azionista di controllo (i *family* sono meno frequentemente laureati e in possesso di un titolo di studio post-laurea e hanno in prevalenza un profilo professionale manageriale).

Le donne ricoprono la carica di amministratore delegato in 17 emittenti a bassa capitalizzazione, mentre presiedono l'organo amministrativo in 26 società di più elevata dimensione. Oltre i due terzi delle donne sono consiglieri indipendenti; sempre più spesso, inoltre, sono nominate attraverso il voto di lista da azionisti di minoranza. Con specifico riferimento agli organi di controllo, infine, a giugno 2017 le donne ricoprono il 37% degli incarichi.

Secondo quanto emerge dalle evidenze raccolte a partire dal 2012, le assemblee delle 100 società italiane a più elevata capitalizzazione registrano in media la partecipazione di oltre il 70% del capitale sociale. Nel 2017, la presenza degli investitori istituzionali ha raggiunto il valore medio del 19,4% del capitale, dato più elevato nel periodo considerato che riflette la continua crescita nella partecipazione degli investitori istituzionali esteri (dal 10,4% al 18,3% del capitale sociale). La presenza degli investitori istituzionali italiani in assemblea rimane invece stabile a circa l'1% del capitale.

Con riferimento al voto sulle politiche di remunerazione (cosiddetto *say-on-pay*), gli investitori istituzionali hanno espresso voto favorevole per il 13% del capitale (64% delle azioni detenute), mentre l'insieme di voti contrari e astensioni rimane stabile attorno al 6% del capitale. Diversamente dagli anni passati, che avevano visto una continua riduzione del dissenso nelle società di maggiori dimensioni, il dissenso sulla politica di remunerazione è aumentato nelle società del FtseMib, raggiungendo l'11% dei voti assembleari e il 32%

Interlocking

Comitati interni al board

Board diversity

Partecipazione degli azionisti alle assemblee

Say-on-pay

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Operazioni con parti correlate

dei voti degli investitori istituzionali (rispettivamente, 9% e 27% nel 2016). Nelle società a media capitalizzazione il dissenso è stabile al 9% dei voti totali, dopo una costante crescita nel periodo 2012-2015. In linea con le evidenze degli anni precedenti, il dissenso, sia generale sia dei soli investitori istituzionali, è più contenuto nelle società finanziarie rispetto agli altri settori, sebbene nel 2017 abbia raggiunto il valore più elevato dalla prima applicazione del *say-on-pay* (6,7% versus 3,7% nel 2012).

In applicazione del Regolamento Consob n. 17221/2010, a partire dal 2011 fino al primo semestre del 2017 sono stati pubblicati 423 documenti informativi per operazioni di maggiore rilevanza con parti correlate. La maggior parte delle operazioni (53%) ha avuto ad oggetto contratti di finanziamento, forniture di beni e prestazioni di servizi; il 28% circa ha riguardato il trasferimento di *asset* e il restante 18% ha comportato modifiche dell'azionariato. In oltre quattro casi su cinque, controparti dell'operazione sono stati i soci di controllo o in grado di esercitare un'influenza significativa sulla società, mentre con una minor frequenza le operazioni sono state effettuate con società del gruppo o con amministratori. Infine, 174 operazioni di maggiore rilevanza hanno avuto carattere ordinario e sono state concluse a condizioni di mercato, beneficiando pertanto dell'esclusione dagli obblighi di pubblicazione di un documento informativo.

Informativa non finanziaria

La Sezione 5 esamina la pubblicazione di informazioni di carattere non finanziario, su base volontaria, da parte delle principali società quotate italiane nel 2017. Il tema appare di interesse anche alla luce della recente Direttiva 2014/95/UE, che richiede ad alcune imprese di grandi dimensioni di pubblicare ogni anno una dichiarazione di carattere non finanziario contenente almeno informazioni ambientali, sociali, attinenti a personale, rispetto dei diritti umani, lotta alla corruzione attiva e passiva, con l'obiettivo di migliorare l'uniformità e la comparabilità delle informazioni di carattere non finanziario comunicate nell'Unione. Tale dichiarazione dovrebbe contenere una descrizione delle politiche adottate dall'emittente in merito ai predetti aspetti, comprese le procedure di *due diligence* applicate. In Italia, l'effettiva applicazione della Direttiva, recepita con il d.lgs. 254/2016, è subordinata al regolamento che la Consob ha posto in consultazione nel corso dell'anno.

Disclosure di informazioni non finanziarie

La gran parte delle società del Ftse Mib (26 su 33) ha pubblicato un Report su temi non finanziari riferito al 2016, ovvero un Report di sostenibilità (18 casi), un Report Integrato (4 casi) o entrambi (4 casi). Tra queste società, 24 hanno condotto l'analisi di materialità allo scopo di individuare i temi rilevanti. Per quanto concerne la valutazione della rilevanza dei temi dal punto di vista della società, in 21 casi è stato direttamente coinvolto il *management*, per lo più attraverso questionari e interviste. Con riguardo alla valutazione della rilevanza dei temi dal punto di vista esterno alla società, 19 imprese dichiarano di avere coinvolto direttamente gli *stakeholders* interessati, prevalentemente attraverso questionari, *surveys*, forum *multi-stakeholders* e *focus groups*.

Board engagement

Allo scopo di comprendere se le tematiche non finanziarie siano state considerate rilevanti anche nell'ambito della selezione, formazione e funzionamento del *board*, sono state consultate le risultanze del processo di autovalutazione annuale condotto dall'organo di amministrazione (art. 1, criterio 1.c.1., lett. g) del Codice di Autodisciplina), le linee guida eventualmente emanate dal consiglio di amministrazione uscente in occasione dell'elezione del *board* (art. 1, criterio 1.c.1., lett. h) del Codice di

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Autodisciplina) e le tematiche affrontate nell'ambito delle sessioni di formazione organizzate a favore del *board* durante l'anno (art. 2, criterio 2.c.2 del Codice di Autodisciplina).

Per quanto concerne il processo di autovalutazione, in 2 casi si citano tematiche aventi carattere non finanziario. Con riguardo alle linee guida emanate dal consiglio uscente in vista del rinnovo del *board*, in 10 casi si auspica che nella selezione degli amministratori si tenga conto dell'importanza di competenze relative a tematiche non finanziarie (ossia temi di *corporate governance* in 8 casi, remunerazioni in 4 casi, innovazione tecnologica e digitale in 3 casi, sostenibilità in 2 casi). Infine, con riguardo ai programmi di *induction*, 7 imprese hanno organizzato nel corso dell'anno corsi di formazione a favore degli amministratori aventi ad oggetto tematiche di carattere non finanziario.

La Sezione 6 presenta evidenze sulla composizione degli organi di amministrazione in Francia, Germania, Regno Unito, Italia e Spagna per le prime 30 società, in termini di capitalizzazione, quotate nel periodo 2005-2016, secondo le informazioni di cui al *database* Boardex.

La dimensione media dei *boards* si è ridotta in tutti i paesi nel periodo considerato, risultando più contenuta in Italia e Regno Unito. A partire dal 2012 la presenza delle donne negli organi di amministrazione delle società quotate del campione è sensibilmente cresciuta, o per effetto di leggi sulle quote di genere (Francia, Italia e Germania) o per effetto di iniziative di autoregolamentazione (Regno Unito e Spagna). La partecipazione femminile ha raggiunto il valore più elevato in Francia (dove alla fine del 2016 le donne rappresentano il 40% del *board* versus il 7% nel 2005), seguita da Italia (31,4%), Regno Unito (28,6%), Germania (27%) e Spagna (19%).

Per quanto riguarda la composizione per nazionalità, dal 2005 al 2016 la presenza di amministratori stranieri è aumentata in tutti i paesi analizzati, con l'eccezione della Francia. Le società britanniche si sono sempre caratterizzate per una maggiore diversità in termini di nazionalità, con una percentuale di consiglieri stranieri che a fine 2016 raggiunge il 36,7% del totale, mentre l'Italia si colloca all'estremo opposto (11%).

Il Regno Unito registra altresì la maggiore presenza di amministratori indipendenti (67,8% dei consiglieri), seguito da Italia (58,7%), Francia (51,4%), Spagna (46%) e infine Germania (15%).

Per quanto riguarda le caratteristiche degli amministratori, nel periodo 2005-2016, l'età media è rimasta sostanzialmente stabile in Germania e Italia, mentre è cresciuta di circa due anni in Spagna e Regno Unito. Con la sola eccezione della Germania, inoltre, la percentuale di consiglieri laureati è rimasta particolarmente elevata nel tempo e in tutti i paesi, oscillando tra l'80 e il 90% del totale.

È infine interessante valutare la diversità separatamente per amministratori esecutivi e non esecutivi. Le evidenze relative al 2016 mostrano che gli amministratori esecutivi si caratterizzano per una minore diversità di genere (solo il 5,7% sono donne a fronte del 33% rilevato per i non esecutivi) e di nazionalità (in media gli stranieri rappresentano il 20% degli esecutivi rispetto al 28% dei non esecutivi).

Board diversity nei principali paesi europei

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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

At the end of 2016, Italian firms with ordinary shares listed on Borsa Italiana (Mta Stock Exchange) are 230. Most companies are industrial (123 of them, accounting for 53.5% of the market), followed by financial and service companies (respectively, 54 and 53 both weighting about 23% of the market). The largest firms operate in the financial and in the services sectors, with an average market value equal to about 2.5 and 2.3 billions of euro respectively (Tab. 1.1).

Ownership of Italian listed companies is still highly concentrated. In line with medium-term evidence, almost 9 out of 10 firms remain controlled either by a single shareholder or by a shareholders' agreement. In particular, in 169 cases control rests on a single shareholder, holding either more than half of the ordinary shares (116 firms) or a lower stake (53), while in 29 cases a shareholders' agreement is in force. This latter figure confirms the ongoing decline in the weight of coalitions, which at the end of 2010 were 51 and accounted for 12.4% of market capitalisation (almost twice as much as of 2016). Among non-controlled firms, cooperative companies have almost halved from the end of 2015 from 7 to 4, subsequent to corporate operations spurred on by the Law 33/2015 containing provisions on the reorganisation of the Italian cooperative banks. Widely held companies are 14 and account for almost 21% of market capitalisation (Tab. 1.2).

Consistently with the limited contestability of control in the Italian market, the average stake held by the largest shareholder at the end of 2016 is 47%, substantially stable with respect to its 2010 value (46.2%). On the contrary, the average stakes held by other major shareholders and by the market keep departing from their 2010 levels, with the former recording about a five percentage point decline to 12.8% from 17.7% and the latter slightly more than a four percentage point rise up to 40.3% (Tab. 1.3).

The ultimate controlling agent keeps being a family in the majority of listed firms (in details, 146 companies accounting for 33% of market capitalisation), predominantly in the industrial sector. The State or local authorities control 21 companies, representing 36% of total market value, mainly active in the service sector. Finally, nearly 18% of firms (26.5% of market capitalisation), mostly operating in the financial sector, are non-controlled or controlled by a non-controlled entity (Tab. 1.4 and Tab. 1.5).

At the end of 2016 institutional investors resulted to be major shareholders in 61 listed firms, representing slightly more than 26% of the market (Tab. 1.6). This figure, compared with previous years' data adjusted to account for the amendments to obligations on ownership reporting that in 2016 raised the first disclosure threshold from 2% to 3%, confirms the decline in the number of investee companies recorded over the last two years. Such a decline results from two, partially offsetting trends, with Italian institutional investors' holdings continuously decreasing since 2011 and foreign holdings stabilizing since 2015 onwards after the steady growth experienced in previous years. At the end of 2016, the average share of capital held by major institutional investors is equal to 7.5%, slightly lower than its former levels.

Italian institutional investors mainly invest in small-sized companies, while foreign investors hold more frequently major stakes in large and medium-sized companies and in financial firms (Tab. 1.7-Tab. 1.8).

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In 2016, institutional investors owned overall 75 stakes (with an average magnitude of about 6% of the company's share capital), the lowest value ever since 2010. This figure is consistent with the drop in the holdings of (especially Italian) banks and insurance companies from 56 in 2010 to their lowest value of 12 in 2016, only partially offset by the increasing presence of foreign asset managers and active investors (private equity, venture capital and sovereign funds). Indeed, over the last year the number of stakes held by (mostly foreign) asset managers has markedly declined from 55 to 44, while other institutional investors' stakes (such as private equity and sovereign funds) have risen from 13 to 19 (Tab. 1.9-Tab. 1.11).

Recourse to control enhancing mechanisms, such as pyramids and dual class shares, has kept decreasing over time. Indeed, at the end of 2016 the percentage of stand-alone companies has risen to about 80% up from 56% in 1998. At the same time, firms belonging to pyramids or to the vertical structure of a mixed group have dropped to 16.5% of the Mta Stock Exchange (slightly more than 44% of market value) from nearly 39% recorded in 1998 (when they weighted 78% in terms of capitalisation), while only 1% of listed companies belong to a horizontal group (5.1% in 1998; Tab. 1.12).

The steady decline in the degree of separation between ownership and control is confirmed by the dynamics of some indicators, such as the number of firms in the group, the leverage and the wedge. In 2016 the mean number of firms belonging to pyramids is 2.8, while it was 3.1 in 2011 and 3.3 in 1998. The average leverage has passed from 3.5 in 1998 to 2.2 in 2011 and has shrunk further to 1.7 in 2016. Finally, the average wedge has declined from 24.2% in 1998 to 17.1% in 2011 achieving 13.6% in 2016 (Tab. 1.13).

As for dual class shares, at the end of 2016 only 18 firms issue non-voting shares (70 in 1998; Tab. 1.14).

Overall, the average wedge in Italian listed companies resorting to non-voting shares and/or to pyramidal groups is 17.2%, i.e. two percentage points lower than its 2014 level. Firms in the financial sector display a lower wedge than other firms (11.3% versus 17.6% and 22.2% in the industrial and services sectors respectively; Tab. 1.15).

Finally, alternative control enhancing mechanisms that the Italian listed companies are allowed to use are also the loyalty and multiple voting shares. Pursuant to the decree 91/2014 (*Decreto Competitività*, as converted into Law no. 116/2014), Italian listed firms may indeed provide in their bylaws for an increased voting power, up to two votes per share, to 'loyal shareholders' who have retained their stocks for at least two years (*azioni a voto maggiorato* or loyalty shares). Moreover, companies that are about to go public (as well as private companies) may provide in their bylaws for categories of stocks carrying up to three votes per share (*azioni a voto plurimo* or multiple voting shares). In the three years subsequent the reform, 33 companies have amended their bylaws by introducing loyalty shares, while one company (gone public because of a merger transaction) has envisaged multiple voting shares. These firms are mainly family-controlled, small-sized industrial companies, representing overall 7% of total market value (Tab. 1.16-Tab. 1.18).

Control enhancing mechanisms

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Tab. 1.1 – Market capitalisation of Italian listed companies by industry
(end of 2016)

	companies		capitalisation ¹			
	no.	%	mean	median	total	%
financial	54	23.5	2,532	352	136,752	30.3
industrial	123	53.5	1,552	166	190,099	42.3
services	53	23.0	2,337	271	123,869	27.4
total	230	100.0	1,963	234	451,612	100.0

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

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.

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

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.

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Tab. 1.4 – Identity of the 'ultimate controlling agent' (UCA) in Italian listed companies by market index
(end of 2016)

	Ftse Mib			Mid Cap ¹			Star ¹			other			total		
	no.	weight ²	% market cap ³	no.	weight ²	% market cap ³	no.	weight ²	% market cap ³	no.	weight ²	% market cap ³	no.	weight ²	% market cap ³
families	10	29.4	24.7	20	54.1	57.2	51	73.9	75.4	65	72.2	66.5	146	63.5	33.3
State and local authorities	9	26.5	42.3	6	16.2	18.8	3	4.3	3.8	3	3.3	5.2	21	9.1	35.9
financial institutions	--	--	--	3	8.1	4.8	1	1.4	0.3	6	6.7	9.9	10	4.3	0.8
mixed ⁴	2	5.9	3.1	3	8.1	7.5	2	2.9	1.1	5	5.6	5.0	12	5.2	3.6
no UCA ⁵	13	38.2	29.9	5	13.5	11.8	12	17.4	19.5	11	12.2	13.3	41	17.8	26.5

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. 1.5 – Identity of the 'ultimate controlling agent' (UCA) in Italian listed companies by industry
(end of 2016)

	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	15	27.8	6.2	96	78.0	52.3	35	66.0	33.8	146	63.5	33.3
State and local authorities	2	3.7	6.2	7	5.7	37.8	12	22.6	65.6	21	9.1	35.9
financial institutions	5	9.3	1.3	4	3.3	0.9	1	1.9	0.2	10	4.3	0.8
mixed	7	13.0	7.8	3	2.4	2.7	2	3.8	0.2	12	5.2	3.6
no UCA	25	46.3	78.5	13	10.6	6.3	3	5.7	0.2	41	17.8	26.5

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. 1.4. 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.

Tab. 1.6 – 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

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.

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Tab. 1.7 – Major institutional investors' shareholdings in Italian listed companies by market index
(end of 2016)

	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	12	35.3	5.3	--	--	--	12	35.3	5.3
Mid Cap ³	15	40.5	8.0	3	8.1	7.4	13	35.1	7.5
Star ³	21	30.4	7.8	2	2.9	7.9	19	27.5	7.8
other	13	14.3	8.4	9	9.9	6.5	6	6.6	8.6
<i>total</i>	<i>61</i>	<i>26.4</i>	<i>7.5</i>	<i>14</i>	<i>6.1</i>	<i>6.9</i>	<i>50</i>	<i>21.6</i>	<i>7.2</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. 1.6. 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.

Tab. 1.8 – Major institutional investors' shareholdings in Italian listed companies by industry
(end of 2016)

	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	19	34.5	6.3	4	7.3	7.0	16	29.1	5.7
industrial	30	24.4	8.8	6	4.9	6.9	26	21.1	8.6
services	12	22.6	6.1	4	7.5	6.7	8	15.1	5.8
<i>total</i>	<i>61</i>	<i>26.4</i>	<i>7.5</i>	<i>14</i>	<i>6.1</i>	<i>6.9</i>	<i>50</i>	<i>21.6</i>	<i>7.2</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. 1.6. 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. 1.9 – 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

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. 1.6. ¹ Number of stakes held by major institutional investors. ² Simple mean of stakes held by major institutional investors.

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Tab. 1.10 – 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

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. 1.6. 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 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

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. 1.6. ¹ Number of stakes held by major institutional investors. ² Simple mean of stakes held by major institutional investors.

Tab. 1.12 – 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

- cont. -

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Cont. Tab. 1.12 – Corporate groups in Italian listed companies

	horizontal group	pyramidal group			mixed group			stand-alone companies	
		of which: parent company	subsidiary	of which: parent company	subsidiary	horizontal structure			
market capitalisation ²									
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

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 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.

Tab. 1.13 – 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

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. 1.14 – 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	0	--	--	19	8.1	3.6
2016	18	7.8	5.0	0	--	--	18	7.8	5.0

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. 1.15 – Control enhancing mechanisms in Italian listed companies by industry
(end of the year)

	no. ¹	weight ²	% market cap ³	average cash flow rights	average voting rights	average wedge ⁴
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
<i>of which</i>						
<i>financial</i>	8	14.8	45.1	29.2	40.4	11.3
<i>industrial</i>	18	14.6	8.9	42.6	60.2	17.6
<i>services</i>	8	15.1	14.8	31.9	54.1	22.2

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 controlled by another listed company and/or issuing non-voting shares. ² Number of companies envisaging control enhancing mechanisms in each group in percentage of the total number of listed companies included in each industry. ³ 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. ⁴ 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. 1.16 – Loyalty shares and multiple voting shares in Italian listed companies by market index
(end of June 2017)

	loyalty shares		multiple voting shares	
	no. of companies	% market cap ¹	no. of companies	% market cap ¹
Ftse Mib	1	1.8	--	--
Mid Cap ²	7	27.4	--	--
Star ²	18	30.9	1	1.8
other	7	7.8	--	--
<i>total</i>	<i>33</i>	<i>7.4</i>	<i>1</i>	<i>0.1</i>

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. 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 market index. ² Companies both in the Star and in the Mid Cap indexes are included only in the Star category.

Tab. 1.17 – Loyalty shares and multiple voting shares in Italian listed companies by industry
(end of June 2017)

	loyalty shares		multiple voting shares	
	no. of companies	% market cap ¹	no. of companies	% market cap ¹
financial	3	0.2	--	--
industrial	22	11.8	1	0.3
services	8	10.1	--	--
<i>total</i>	<i>33</i>	<i>7.4</i>	<i>1</i>	<i>0.1</i>

Source: Consob. For the sample definition see Tab. 1.16. 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.

Tab. 1.18 – Loyalty shares and multiple voting shares in Italian listed companies by identity of the UCA
(end of June 2017)

	loyalty shares		multiple voting shares	
	no. of companies	% market cap ¹	no. of companies	% market cap ¹
families	29	20.4	1	0.4
State and local authorities	2	4.0	--	--
financial institutions	1	2.7	--	--
no UCA	1	0.0	--	--
<i>total</i>	<i>33</i>	<i>7.4</i>	<i>1</i>	<i>0.1</i>

Source: Consob. For the sample definition see Tab. 1.16. For the definition of UCA see Tab. 1.4. 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 category of ultimate controlling agent.

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Corporate boards

Board size, independent and minority directors

At the end of 2016, the traditional system is in place in 225 listed firms, while only 5 companies (representing 9.4% of market capitalisation) have chosen an alternative model, i.e., either the single-tier system (2 cases) or the dual-tier model (Tab. 2.1).

In line with previous years, boards are composed on average by almost 10 directors. On the contrary, management boards keep recording a decline in the number of members (4.3 in 2016 down from 7.7 in 2008). Finally, the average size of supervisory boards, counting 13 members, is substantially stable with respect to its long-run figure, although marking a substantial reduction with respect to its most recent levels (17 members over 2013-2015; Tab. 2.2).

On average, almost 5 directors, accounting for 47.6% of boards, are independent by Corporate Governance Code and/or by Consolidated Law on Finance - Tuf: these figures hit their highest values (respectively 6 and 53.6%) in financial companies (Tab. 2.3). Finally, 96 firms count on average about 2 members appointed by minorities (98 in 2015; Tab. 2.4).

Interlocking

In the majority of Italian listed companies (overall 172 cases) at least one board member holds multiple directorships in other listed companies (interlocker), while no interlocker is present in 57 small-sized firms, overall representing 8% of total market value. On average, interlockers hold two seats and account for over one-fifth of the board. The phenomenon is more relevant in larger firms, as Ftse Mib and Mid Cap companies have on average 3 interlockers on board, while smaller companies count nearly two of them. Interlockers are a minority of board members in the majority of firms as they weigh less than 25% in 75 cases and within 25%-50% in 78 additional cases (Tab. 2.5 and Tab. 2.6).

Board committees

At the end of 2016, the majority of firms have established the remuneration committee and/or the internal control and risk management committee (respectively, 200 and 208), while the nomination committee is adopted by 126 companies. The situation is quite stable with respect to the previous year, apart from the nomination committee whose presence continues to increase. All committees count on average slightly more than 3 members, between 2.5 and 2.7 independent directors and around 1.3 female directors. The internal control and risk management committee records on average 7.8 meetings, followed by the nomination committee (5.2) and the remuneration committee (4.6 meetings; Tab. 2.7 - Tab. 2.10).

Over the period 2014-2016, the number of companies undergoing a board self-evaluation process has remained stable at 184, while the number of firms adopting a succession plan has shown a substantial increase (39 at the end of 2016 up from 7 in 2011; Tab. 2.11).

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As for the boards of statutory auditors, at the end of 2016 they counted on average 3 members, of which 0.5 appointed by minorities. The average number of meetings is around 13, slightly higher than its 2012 level.

Board of statutory auditors

As for board diversity, at the end of 2016 directors of Italian listed firms are aged on average 56.6 years. Boards are older in companies operating in the financial sector and in Ftse Mib firms, where the average age is respectively 57.7 and 57.9. Foreign directors, representing on average 7% of the board, record the highest presence in services firms (8.5%) and in Ftse Mib companies (9.7%). Family directors (i.e. directors linked to the controlling shareholder through family connections) account for 15.6% of the board and sit more frequently in small industrial firms. Almost 90% of board members are graduates and 21.6% are also postgraduates. As for the professional background, directors are mainly managers (70%), followed by consultant/professional (21%) and academics (8.2%); Tab. 2.13).

Board diversity

Board composition varies with the identity of the ultimate controlling agent. In particular, boards are younger, more educated and more diverse in terms of nationality in financial institutions. On the contrary, boards are older and foreign and graduated directors are less represented when no ultimate controlling agent can be identified (Tab. 2.14).

As for the educational background, 46% of graduated directors hold a degree in economics, 18% in law and 12% in engineering. Over time, the proportion of board members graduated either in economics or in engineering has shown a slight decline in favour of directors graduated in law (Tab. 2.15).

At the end of June 2017, women directors represent over one-third of all boards members (33.6%), marking the highest figure ever recorded and in line with the gender quota mandated by the Law in 2011. Female representation has reached an even higher figure, namely 36.7% of all seats, in the internal board of auditors ('organo di controllo') of Italian listed companies. Since 2015 women have been represented in both corporate boards of nearly all listed companies (Tab. 2.16).

Gender diversity

Such developments have been mostly driven by Law 120/2011, mandating gender quotas for the three board appointments subsequent August 2012, so that the members of the under-represented gender shall account for at least one-third of the board (one-fifth for the first term). The breakdown of Italian companies according to the term of application of gender quotas shows that most companies have already enacted the one-third gender quota. Indeed, the percentage of board seats held by women in the companies that have undergone the second and third appointment under the new Law (respectively, 112 and 12 firms) largely exceeds the mandated one-third quota (36.5% and 38.7% of total board size, respectively). Also companies that have undergone only the first board appointment record a female representation largely exceeding the one-fifth quota applying to the first term. Finally, in the 17 companies that are not subject to the Law 120/2011, in the majority of cases being newly-listed, women hold on average nearly 3 seats and account for 29% of the board (quotas will apply in the three board appointments subsequent to listing; Tab. 2.17).

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The impact of gender diversity on board diversity

The number of female directorships is higher in the Ftse Mib firms, where women hold 4.4 board seats and represent 35% of the board, while it does not vary significantly across industries (approximately 3 directorships in financial, industrial and services sectors; Tab. 2.18 and Tab. 2.19).

Consistently with the previous year, women serve as the company's CEO in 17 companies, which account for less than 2% of total market value. Over the last year, the number of chairwomen has grown from 21 to 27 in firms representing overall nearly one-fourth of total market capitalisation. The number of independent women directors has steadily grown since 2013, exceeding two-thirds of board members at half 2017. A continuous upward trend has also been recorded for women directors appointed by minority shareholders, through the slate voting mechanism, in 44 large companies, representing 65% of total market capitalisation (Tab. 2.20). Finally, the percentage of women holding multiple directorships has reached 31% of all women directors, up from 18% in 2013 (Tab. 2.21).

Overall, the raising gender diversity has affected the degree of board diversity of Italian listed companies (Tab. 2.22). The average directors' age has decreased by one percentage point, as newly appointed women are on average younger than men are. Family directors have slightly declined from 16.3% to 15.6% of the total, again following the appointments pursuant to the Law 120/2011. Indeed, over the six-year period 2011–2016 the proportion of family female directors on the total number of female board members has sharply declined from 42.2% to 12%. On the contrary, over the same period, the presence of family male directors has increased from 14.2% to 17.4%. As for the professional background, data show a reduction in the percentage of managers and an increase of consultants/professionals, mainly due to new female directors being a consultant more often than men are (Tab. 2.23). Finally, the proportion of both foreign directors and graduated directors has risen, with the former passing from 5% in 2011 to 7% in 2016 and the latter up by slightly more than two percentage points from 84% in 2011; the percentage of postgraduate directors has risen by more than six points from 15%.

Directors' attributes show a certain degree of variation depending also on their link with the controlling agent. In particular, the percentage of graduated and postgraduate directors is higher among non-family directors. Moreover, professional backgrounds of non-family directors are more diversified, as 34% of them hold a profile other than the managerial one, a figure dropping to about 6% among family board members (Tab. 2.13).

Attendance to board meetings

On average, board members attended 92% of the 2016 board meetings. Ftse Mib firms and companies controlled by the State record the highest participation rates (respectively, 94.3% and 95.8%; Tab. 2.13 and Tab. 2.14).

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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

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 ¹
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

Source: corporate governance reports of Italian companies with ordinary shares listed on Borsa Italiana spa – Mta Stock Exchange. ¹ Figures refer to companies whose corporate governance reports were available.

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
of which						
financial	6.0	53.1	5.1	45.7	6.1	53.6
industrial	4.1	42.8	3.8	40.0	4.1	44.0
services	4.9	48.8	4.7	46.4	5.0	49.7

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 Directors who are classified as independent by both the Consolidated Law on Finance and the Corporate Governance Code are counted only once. ² Percentage of independent directors on corporate boards of all listed companies.

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Tab. 2.4 – Minority members on boards of directors of Italian listed companies
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	companies with at least one minority director	minority directors			minority and/or independent directors ¹	
		mean ²		weight ³	mean	weight ⁴
2011	91	0.7	(1.8)	6.6	4.4	42.4
2012	93	0.7	(1.8)	7.2	4.6	44.1
2013	92	0.7	(1.7)	7.4	4.7	46.4
2014	92	0.7	(1.8)	7.5	4.8	47.8
2015	98	0.8	(1.8)	7.8	4.8	48.3
2016	96	0.8	(1.9)	7.7	4.9	48.9
<i>of which financial</i>	27	1.1	(2.1)	8.7	6.3	54.7
<i>industrial</i>	42	0.6	(1.7)	6.3	4.2	45.2
<i>services</i>	27	1.0	(1.9)	10.1	5.2	51.6

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. Figures do not include the companies adopting the two-tier system, whose supervisory boards included members appointed by minorities in 2 financial companies; the average number of minority directors was 3. ¹ Directors who are both minority and independent are counted only once. ² 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. ³ Percentage of minority directors on corporate boards. ⁴ Percentage of minority and/or independent directors on corporate boards.

Tab. 2.5 – Multiple directorship (interlocking) in Italian listed companies by market index
(end of June 2017)

	interlockers		companies with no interlocker		companies with interlockers	
	weight ¹	no.	no.	% market cap ²	no.	% market cap ²
Ftse Mib	26.9	3.4	5	55.9	29	79.3
Mid Cap ³	26.1	2.9	4	21.9	33	12.7
Star ³	16.8	1.6	19	16.2	50	6.2
other	22.0	2.0	29	6.0	60	1.8
<i>total</i>	21.8	2.2	57	100.0	172	100.0

Source: Consob. Data on corporate boards of Italian companies with ordinary shares listed on Borsa Italiana spa - Mta Stock Exchange. ¹ Percentage of interlockers on corporate boards. 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. 2.6 – Multiple directorship (interlocking) in Italian listed companies by industry
(end of June 2017)

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%	13	13.4	32	6.0	12	3.6	57	7.9
< 25%	16	34.2	43	15.6	16	47.9	75	30.7
from 25% to 50% ³	21	48.0	36	69.0	21	47.6	78	56.1
from 50% to 75% ³	4	4.4	8	9.0	4	0.3	16	5.2
≥ 75%	--	--	2	0.3	1	..	3	0.1
<i>total</i>	54	100.0	121	100.0	54	100.0	229	100.0

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. 2.7 – Board committees in Italian listed companies

(end of the year)

	remuneration committee		nomination committee		internal control and risk management committee	
	no. of companies ¹	weight ²	no. of companies ¹	weight ²	no. of companies ¹	weight ²
2011	224	87.8	51	20.0	228	89.4
2012	214	88.8	95	39.4	220	91.3
2013	210	88.6	112	47.3	216	91.1
2014	200	88.9	114	50.7	206	91.6
2015	204	89.5	123	53.9	212	93.0
2016	200	90.9	126	57.3	208	94.5
<i>of which</i>						
<i>financial</i>	48	90.6	37	69.8	52	98.1
<i>industrial</i>	104	89.7	58	50.0	106	91.4
<i>services</i>	48	94.1	31	60.8	50	98.0

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. ² Number of companies that have established the committee in percentage of the total number of listed companies.

Tab. 2.8 – Remuneration committee in Italian listed companies by industry

(end of 2016)

	established		size and composition			average no. of meetings
	no. of companies ¹	% market cap ²	average no. of members	average no. of women	average no. of independent directors ³	
financial	48	99.7	3.3	1.4	2.8	6.4
industrial	104	97.2	3.1	1.1	2.4	3.8
services	48	99.9	3.1	1.3	2.5	4.7
<i>total</i>	<i>200</i>	<i>98.7</i>	<i>3.2</i>	<i>1.2</i>	<i>2.5</i>	<i>4.6</i>

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 which have established the committee. 79 companies combined the remuneration committee with the nomination committee. ² Market value of ordinary shares of companies which have established the committee in each group in percentage of market value of ordinary shares of all companies included in each industry. ³ Average number of independent directors meeting the independence criteria set forth by either the Corporate Governance Code or the Consolidated Finance Law.

Tab. 2.9 – Nomination committee in Italian listed companies by industry

(end of 2016)

	established		size and composition			average no. of meetings
	no. of companies ¹	% market cap ²	average no. of members	average no. of women	average no. of independent directors ³	
financial	37	96.2	3.4	1.4	2.6	6.6
industrial	58	66.2	3.2	1.2	2.6	4.3
services	31	88.9	3.3	1.3	2.6	5.0
<i>total</i>	<i>126</i>	<i>81.5</i>	<i>3.3</i>	<i>1.3</i>	<i>2.6</i>	<i>5.2</i>

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. 79 companies combined the remuneration committee with the nomination committee. ² Market value of ordinary shares of companies with the committee included in each industry in percentage of the market value of ordinary shares of all companies included in each industry. ³ Average number of independent directors meeting the independence criteria set forth by either the Corporate Governance Code or the Consolidated Finance Law.

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Tab. 2.10 – Internal control and risk management committee in Italian listed companies by industry
(end of 2016)

	established		size and composition			average no. of meetings
	no. of companies ¹	% market cap ²	average no. of members	average no. of women	average no. of independent directors ³	
financial	52	100.0	3.4	1.4	3.0	11.6
industrial	106	98.9	3.0	1.3	2.6	6.3
services	50	100.0	3.2	1.3	2.7	6.9
<i>total</i>	<i>208</i>	<i>99.5</i>	<i>3.2</i>	<i>1.3</i>	<i>2.7</i>	<i>7.8</i>

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. ² Market value of ordinary shares of companies with the committee in each group in percentage of market value of ordinary shares of all companies included in each industry. ³ Average number of independent directors meeting the independence criteria set forth by either the Corporate Governance Code or the Consolidated Finance Law.

Tab. 2.11 – Self-evaluation of the boards of directors and succession plan in Italian listed companies by industry
(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	
<i>of which</i>	<i>financial</i>	44	20.0	16	7.3
	<i>industrial</i>	98	44.5	16	7.3
	<i>services</i>	42	19.1	7	3.2

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 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 9 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. 2.12 – Board of statutory auditors of Italian listed companies by industry
(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
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
<i>of which</i>	<i>financial</i>	3.2	29 (58.0)	0.6 (1.1)	20.9
	<i>industrial</i>	3.1	50 (43.1)	0.5 (1.1)	9.8
	<i>services</i>	3.1	28 (56.0)	0.6 (1.0)	10.7

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. 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. 2.13 – Directors' attributes and board meeting attendance in Italian listed companies by industry and market index
(end of 2016)

	industry			market index				total
	financial	industrial	services	Ftse Mib	Mid Cap ¹	Star ¹	other	
no. of directorships	575	1.090	495	431	419	642	668	2.160
% women	32.3	30.6	31.9	32.7	30.3	29.8	32.6	31.3
average age	57.7	56.6	55.4	57.9	57.2	56.6	55.4	56.6
% foreigners	4.3	7.8	8.5	9.7	7.2	6.2	6.0	7.0
% family ²	6.4	21.8	12.7	5.1	11.9	22.0	18.7	15.6
% first degree	88.2	85.2	88.1	92.6	91.2	82.1	84.4	86.7
% postgraduate degree ³	20.9	19.6	26.6	27.1	20.4	18.4	21.5	21.6
% manager	65.6	72.4	70.9	72.2	68.3	71.7	68.9	70.2
% consultant/professional	22.1	20.4	20.6	14.2	22.7	20.1	24.9	20.9
% academic	11.7	6.6	7.9	12.8	8.4	8.1	5.4	8.2
average attendance ⁴	92.4	91.5	92.6	94.3	91.6	92.3	90.3	92.0

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. 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. 2.14 – Directors' attributes and board meeting attendance in Italian listed companies by identity of the 'ultimate controlling agent' (UCA)
(end of 2016)

	families	State and local authorities	financial institutions	mixed	no UCA	total
no. of directorships	1.308	192	92	123	445	2.160
% women	30.6	32.8	28.3	32.5	33.3	31.3
average age	56.8	55.1	53.4	56.1	57.3	56.6
% foreigners	7.2	4.2	17.4	6.5	5.8	7.0
% family ¹	25.8	—	—	—	—	15.6
% first degree	85.2	90.1	95.7	94.3	85.6	86.7
% postgraduate degree ²	20.3	24.3	31.8	19.8	22.3	21.6
% manager	70.7	70.3	71.7	72.4	67.9	70.2
% consultant/professional	21.3	20.8	20.7	21.1	19.8	20.9
% academic	7.4	7.3	7.6	6.5	11.7	8.2
average attendance ³	91.3	95.8	91.4	91.2	92.9	92.0

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. 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. 2.15 – Educational background of board members in Italian listed companies
(end of the year)

	2013		2014		2015		2016	
	no. of directorships	weight ¹	no. of directorships	weight ¹	no. of directorships	weight ¹	no. of directorships	weight ¹
degree ²	1,994	88.8	1,892	88.9	1,905	88.8	1,872	89.7
economics	1,053	46.9	1,009	47.4	992	46.2	962	46.1
law	377	16.8	356	16.7	364	17.0	375	18.0
engineering	304	13.5	278	13.1	275	12.8	252	12.1
political sciences	93	4.1	85	4.0	83	3.9	74	3.5
other ³	198	8.8	189	8.9	211	9.8	220	10.5
more than one degree	40	1.8	40	1.9	43	2.0	39	1.9
no degree	252	11.2	236	11.1	241	11.2	214	10.3
<i>total</i>	<i>2,246</i>	<i>100.0</i>	<i>2,128</i>	<i>100.0</i>	<i>2,146</i>	<i>100.0</i>	<i>2,086</i>	<i>100.0</i>

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 in each category in percentage of the total number of board members for whom information was available. ² Breakdown by subject of degree includes directors holding more than one degree. ³ The figure includes cases when the information on the subject of the degree is not available.

Tab. 2.16 – Female representation on corporate boards of Italian listed companies
(end of the year; for 2017, 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	758	33.6	227	99.1	266	36.7	227	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. 2.17 – Female representation on boards of directors of Italian listed companies by term of application of Law 120/2011

(end of June 2017)

	no. of companies	% market cap ¹	average no. of female directors	average weight of female directors
first term	83	28.8	2.9	29.5
second term	112	64.9	3.7	36.5
third term	17	2.3	2.9	38.7
not applicable	17	4.0	2.9	29.3
<i>total</i>	<i>229</i>	<i>100.0</i>	<i>3.3</i>	<i>33.6</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 Market value of ordinary shares of companies in each group in percentage of market value of ordinary shares of all companies.

Tab. 2.18 – Female representation on boards of directors of Italian listed companies by market index

(end of June 2017)

	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	34	100.0	4.4	34.9	34.9
Mid Cap ³	37	100.0	3.7	32.4	32.4
Star ³	68	100.0	3.1	32.2	32.7
other	88	99.6	3.0	34.7	35.1
<i>total</i>	<i>227</i>	<i>100.0</i>	<i>3.3</i>	<i>33.6</i>	<i>33.9</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. 2.19 – Female representation on boards of directors of Italian listed companies by industry

(end of June 2017)

	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	54	100.0	3.6	33.5	33.5
industrial	120	100.0	3.2	33.4	33.7
services	53	100.0	3.5	34.1	34.7
<i>total</i>	<i>227</i>	<i>100.0</i>	<i>3.3</i>	<i>33.6</i>	<i>33.9</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. 2.20 – 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

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

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 Finance Law. 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. 2.21 – 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

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. 2.22 – Directors' attributes in Italian listed companies by gender

(end of the year)

		no. of directorships	% foreigners	average age	% family ¹	education		professional background			
						% first degree	% postgraduate degree ²	% managers	% consultant /professional	% academic	% other
2011	director	2,567	5.1	57.5	16.3	84.0	15.3	75.0	16.2	7.6	0.7
	female	192	3.1	49.7	42.2	75.5	16.6	71.9	17.2	8.3	1.0
	male	2,375	5.3	58.1	14.2	84.7	15.3	75.2	16.1	7.6	0.6
2012	director	2,401	5.2	57.6	16.2	84.9	15.7	76.2	15.1	8.2	0.2
	female	283	5.3	50.5	25.8	83.0	21.7	68.2	17.7	13.4	0.4
	male	2,118	5.1	58.5	14.9	85.2	14.9	77.3	14.7	7.5	0.2
2013	director	2,332	5.8	57.3	16.3	85.5	17.2	74.5	16.5	8.3	0.5
	female	417	7.0	50.2	18.2	87.5	24.1	62.4	23.7	13.2	0.5
	male	1,915	5.5	58.9	15.9	85.1	15.6	77.2	14.9	7.3	0.5
2014	director	2,211	6.2	57.1	16.3	85.6	18.9	73.0	18.3	8.1	0.5
	female	500	6.6	50.7	15.0	88.0	27.3	59.6	29.0	11.0	0.4
	male	1,711	6.1	58.9	16.7	84.9	16.4	77.0	15.2	7.3	0.5
2015	director	2,222	7.4	56.7	15.8	85.7	20.9	70.8	20.3	8.3	0.6
	female	617	7.9	50.9	13.1	88.7	29.8	55.3	31.8	12.5	0.5
	male	1,605	7.2	58.9	16.9	84.6	17.4	76.8	16.0	6.7	0.6
2016	director	2,160	7.0	56.6	15.6	86.7	21.6	70.2	20.9	8.2	0.6
	female	677	7.1	51.6	11.8	90.3	29.0	55.4	31.6	12.4	0.6
	male	1,483	7.0	58.9	17.4	85.0	18.0	77.0	16.0	6.3	0.7

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 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.

Tab. 2.23 – Directors' attributes and board meeting attendance in Italian listed companies by gender and relationship with the controlling shareholder

(end of 2016)

		no. of directorships	average attendance ¹	education		professional background			
				% first degree	% postgraduate degree ²	% managers	% consultant /professional	% academic	% other
director	family ³	338	91.8	71.6	15.3	93.5	6.2	--	0.3
	non-family	1,822	92.0	89.5	22.5	65.9	23.6	9.8	0.7
female	family ³	80	89.9	65.0	19.2	82.5	16.3	--	1.3
	non-family	597	92.5	93.6	29.9	51.8	33.7	14.1	0.5
male	family ³	258	92.4	73.6	14.2	96.9	3.1	--	--
	non-family	1,225	91.8	87.4	18.7	72.8	18.7	7.7	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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Annual general meetings

AGMs attendance

The 2017 Annual General Meetings (AGMs) of the 100 major Italian companies by market capitalisation confirm the large participation by shareholders, the presence thereof has steadily exceeded 70% of the share capital since 2012. In 2017 the attendance by institutional investors has marked its highest rate over the last six years by hitting 19.4% of the share capital. This results from the stable increase in the participation of foreign institutional investors, equalling on average 18.3% of the share capital (eight percentage points higher than its 2012 value), whereas over the time span under consideration attendance of Italian institutional investors has remained substantially unchanged (Tab. 3.1).

Participation is higher in industrial firms (75.6% of the share capital), followed by listed utilities (72.3%) and financial companies (61.2%), which however have experienced the highest presence of institutional investors (20.6% of the share capital; Tab. 3.2).

The last proxy season has recorded the highest attendance of Italian investment funds, banks and insurance companies, over the last six years, with 76 AGMs (almost twice as much as the meetings attended in 2012 and 2013) and votes cast for over 2% of the shares represented at the AGMs. Since 2015, foreign institutional investors have attended the AGMs of all the 100 largest Italian companies, casting an increasing percentage of votes (in 2017 about 27% of the total number of votes; Tab. 3.3).

Say-on-pay

As for voting behaviour, institutional investors' endorsement of the remuneration policy (say-on-pay) accounts for 13% of the share capital and about 64% of institutional votes, whereas abstention and rejection are overall stable at about 6% of the share capital and one-third of the total number of their shares. The proportion of votes against the remuneration policy has however slightly increased over the last year, while that of abstentions has slightly declined. In line with previous years, the agreement with the remuneration policy cast by other investors points out for about 51% of the company's share capital and 98% of their votes (Tab. 3.4).

Shareholders' dissent in say-on-pay, which for the purposes of this Report comprises votes against the remuneration policy and abstentions, has slightly risen over the last year, peaking its highest record of 9.6% of the AGMs, with institutional investors' accounting for 8.8%. For Ftse Mib firms, dissent shows a trend reversal, as it has considerably increased over the last year up to 11% of the AGM and 32% of institutional investors' votes (from 9% and 27% in 2016, respectively) after the steady decline recorded since 2012. In MidCap companies, overall dissent is stable at around 9% of the AGMs, after experiencing an increase over the period 2012-2015, although over the last year institutional investors' disagreement as a percentage of their total votes has risen by three percentage points up to 40% (Tab. 3.5).

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In line with previous years, dissent by the AGMs is considerably lower in the financial sector as compared to industrial firms and utilities (about 7% of total votes versus 10% and 11% respectively). Accordingly, in the financial sector institutional investors cast their dissent on the remuneration policy with a markedly lower frequency than in the industrial and services industries (26% versus nearly 37% of their shares respectively). However, since the introduction of the say-on-pay financial companies have experienced a rise in the dissent by institutional investors by three percentage points up to 6.7% in 2017 (Tab. 3.6).

Finally, institutional investors' more frequently endorse remuneration policies in companies with dispersed ownership (in widely held firms dissent levels to 20% of the total number of institutional shares; Tab. 3.7), and in companies where they hold a major stake (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

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 2017 AGMs of the 100 largest Italian listed companies by industry

		no. of participants		share of capital at the AGM			
		total	institutional investors	total	institutional investors	Italian institutional investors	foreign institutional investors
financial	mean	1,020	550	61.2	20.6	1.0	19.6
	min	11	390	14.7	4.8	0.0	4.7
	max	5,346	552	84.2	50.9	7.3	50.5
	median	464	367	65.3	18.2	0.2	16.5
industrial	mean	401	390	75.6	18.5	1.0	17.5
	min	14	3	54.5	0.6	0.0	0.6
	max	3,132	3,097	95.8	63.0	8.8	60.9
	median	203	195	75.8	15.3	0.5	15.3
services	mean	694	552	72.3	20.2	1.7	18.5
	min	70	66	51.7	2.1	0.0	0.6
	max	4,305	2,701	86.8	34.7	11.6	33.0
	median	337	331	71.8	21.8	1.0	20.4

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

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	investment funds ³	0.7	1.2	10.0	15.4
	banks and insurance companies	1.2	1.7	0.9	1.3
	<i>no. of companies</i>		40		96
2013	investment funds ³	0.6	1.0	11.7	17.6
	banks and insurance companies	1.7	2.4	0.9	1.4
	<i>no. of companies</i>		38		96
2014	investment funds ³	0.5	0.8	16.2	23.9
	banks and insurance companies	1.1	1.7	0.8	1.3
	<i>no. of companies</i>		56		95
2015	investment funds ³	1.0	1.4	16.8	24.7
	banks and insurance companies	0.6	0.8	0.4	0.7
	<i>no. of companies</i>		56		100
2016	investment funds ³	1.0	1.3	17.4	26.0
	banks and insurance companies	0.6	0.8	0.5	0.8
	<i>no. of companies</i>		69		100
2017	investment funds ³	1.0	1.4	17.9	26.8
	banks and insurance companies	0.6	0.9	0.4	0.6
	<i>no. of companies</i>		76		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. ³ Investment funds comprise asset managers, pension funds and other funds such as private equity, venture capital and sovereign funds.

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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

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 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>

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

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.

Tab. 3.7 – Dissent in shareholders' say-on-pay at the 2017 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	7.0	37.5	6.4	31.7	36.5	96.3
weakly controlled	13.1	39.1	12.6	39.1	36.0	80.1
companies controlled by a shareholders' agreement	10.2	31.8	7.7	31.8	27.8	74.3
widely held	11.3	43.7	10.6	39.6	20.0	73.6
non-widely held	20.5	35.5	20.5	35.5	73.4	90.6

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.

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Tab. 3.8 – Dissent in shareholders' say-on-pay at the 2017 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	10.8	43.7	9.3	39.6	33.8	96.3
	no	8.2	35.5	8.2	35.5	35.1	95.6
independent directors >50%	yes	10.3	43.7	9.2	39.6	33.9	96.3
	no	8.8	35.5	8.2	35.5	34.9	90.6
institutional investor with major stakes	yes	10.2	39.1	8.4	39.1	26.3	91.3
	no	9.2	43.7	9.0	39.6	39.3	96.3

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

Pursuant to the disclosure regime envisaged by Consob Regulation on Related Party Transactions (hereinafter RPTs), since 2011 Italian listed companies have reported 423 material RPTs (31 in the first half of 2017), i.e. transactions exceeding specified quantitative thresholds. As in the previous years, such transactions were often entered into by small-sized companies and firms operating in the financial sector (Tab. 4.1 and Tab. 4.2).

According to the tunnelling taxonomy developed by Atanasov et al. (2014), RPTs have been categorized into three major types – asset, cash flow and equity tunnelling – based on the nature of resources transferred to the possible benefit of companies' insiders. Most of the RPTs reported since 2011 are financing contracts or other contracts, involving the transfer of a portion of companies' cash flow, which does not impact on long-term productive assets though (53.4% of the total). About 28% of material transactions disclosed over the same time period regard the transfer of major long-term assets. Finally, 18% of material RPTs consist of reserved capital increase, mergers or other transactions resulting in a rearrangement of the related party's ownership claims over the firm's equity (Tab. 4.3).

Moreover, almost 83% of all RPTs have been entered into with the controlling agent or with other shareholders exerting significant influence over the company. Infra-group transactions, namely those entered into with subsidiary or associate companies, account for nearly 11% of the total, while few material RPTs took place with non-shareholder directors or key managers or with firms affiliated with them (5.2% of the total; Tab. 4.3).

Material RPTs in the ordinary course of business

Listed companies have also reported to Consob material arm's length RPTs in the ordinary course of business, which may benefit of a waiver from the approval and disclosure obligations set forth by Consob Regulation. Reporting, mainly accomplished by large companies included in the Ftse Mib Index, has overall involved 174 transactions and has declined over years (Tab. 4.4). Since 2016 reporting companies are predominantly operating in the financial sector (Tab. 4.5)

The large majority of material RPTs transactions in the ordinary course of business fall among the operating activities of the listed company, thus involving the supply of typical goods and services for non-financial companies and financing contracts for banks (respectively, 34% and 29% of all material RPTs in the ordinary course of business). In addition, one-third of funding transactions undertaken by non-financial firms were regarded as in the ordinary course of business (being closely related to the operating business). Material RPTs in the ordinary course of business mostly occur with controlling or major shareholders (85% of the total; Tab. 4.6).

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Tab. 4.1 – Material related party transactions disclosed by Italian listed companies by market index
(for 2017, first semester)

	2011	2012	2013	2014	2015	2016	2017	total
Ftse Mib	6	6	10	3	7	5	1	38
Mid Cap ¹	13	14	14	3	3	13	1	61
Star ¹	9	5	7	3	8	9	2	43
other	52	54	45	45	34	24	27	281
<i>total</i>	<i>80</i>	<i>79</i>	<i>76</i>	<i>54</i>	<i>52</i>	<i>51</i>	<i>31</i>	<i>423</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 2017, first semester)

	2011	2012	2013	2014	2015	2016	2017	total
financial	39	43	23	24	20	17	13	179
industrial	24	17	27	13	13	20	11	125
services	17	19	26	17	19	14	7	119
<i>total</i>	<i>80</i>	<i>79</i>	<i>76</i>	<i>54</i>	<i>52</i>	<i>51</i>	<i>31</i>	<i>423</i>

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

Tab. 4.3 – Material related party transactions disclosed by Italian listed companies by type of transaction and counterparty
(for 2017, 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	32.3	48.4	19.3	80.6	9.7	9.7
<i>total</i>	<i>28.6</i>	<i>53.4</i>	<i>18.0</i>	<i>83.2</i>	<i>11.6</i>	<i>5.2</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.

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Tab. 4.4 – Material related party transactions in the ordinary course of business exempted from disclosure and approval requirements by market index
(for 2017, first semester)

	2011	2012	2013	2014	2015	2016	2017	total
Ftse Mib	14	20	10	17	20	12	6	99
Mid Cap ¹	4	1	4	6	13	1	1	30
Star ¹	1	3	5	2	1	--	2	14
Other	19	4	3	--	2	1	2	31
<i>total</i>	<i>38</i>	<i>28</i>	<i>22</i>	<i>25</i>	<i>36</i>	<i>14</i>	<i>11</i>	<i>174</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. 4.5 – Material related party transactions in the ordinary course of business exempted from disclosure and approval requirements by industry
(for 2017, first semester)

	2011	2012	2013	2014	2015	2016	2017	total
financial	9	8	4	6	12	11	5	55
industrial	13	7	9	10	16	3	2	60
services	16	13	9	9	8	--	4	59
<i>total</i>	<i>38</i>	<i>28</i>	<i>22</i>	<i>25</i>	<i>36</i>	<i>14</i>	<i>11</i>	<i>174</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 2017, 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	54.5	36.4	9.1	--	100.0	--	--
<i>total</i>	<i>34.5</i>	<i>29.3</i>	<i>33.9</i>	<i>2.3</i>	<i>85.1</i>	<i>10.3</i>	<i>4.6</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: non-financial reporting

Information plays an important role in corporate world. Making information accessible to interested and affected parties is an important first step in the process of stakeholder engagement. So far, firms have typically provided financial information. However, in recent times attention to non-financial information has significantly grown, due to the inadequacy of traditional financial reporting to fulfil the increasing need of investors and other stakeholders of additional insights on companies' value and their model of value creation.

Non-financial information is related to long-term issues such as climate change, energy efficiency, gender diversity, employee engagement, reputation, innovation, human rights, anti-corruption and bribery matters. Non-financial reporting can significantly stimulate the transition to a sustainable business strategy, which in turn may enable companies to create value not only for their shareholders but also for the society as a whole. Through long-term orientation, companies can strike a balance between the needs of current and future generations and contribute to a smart, sustainable and inclusive growth.

Institutional investors with long-term investment time horizons have progressively come to recognize the importance of environmental, social and governance risk management (ESG factors) in security selection and portfolio construction.¹ Consistently with this attitude, an increasingly positive relationship between financial performance and sustainability performance has been detected: as shown by recent analyses on the US market, nowadays intangibles account for 80 per cent of stock value (Ocean Tomo, 2015).

The role of non-financial information has recently been acknowledged also by the European institutions, as shown by the recent initiatives of the European Parliament and the European Commission. In the resolution of 6 February 2013 the European Parliament underlined the relevance for companies to disclose information on social and environmental factors: '*disclosure of non-financial information is vital for managing change towards a sustainable global economy by combining long-term profitability with social justice and environmental protection*'.² Moreover, the European Parliament called on the Commission to bring forward a legislative proposal on the disclosure of non-financial information by undertakings. Following this resolution, has been adopted the Directive 2014/95/EU, which requires certain large undertakings to prepare a non-financial statement containing information relating to at least environmental, social and employee-related matters, respect for human rights, anti-corruption and bribery matters, with the aim to enhance the consistency and comparability of non-financial

The relevance of non-financial reporting

The regulation of non-financial reporting: international and national developments

¹ See the institutional investors' corporate letters that underline the relevance of long-term orientation and of non-financial issues and ask boards to be accountable for creating long-term value and overseeing non-financial topics (<https://www.blackrock.com/corporate/en-no/investor-relations/larry-fink-ceo-letter>).

² Resolutions on 'Corporate Social Responsibility: accountable, transparent and responsible business behavior and sustainable growth' and 'Corporate Social Responsibility: promoting society's interests and a route to sustainable and inclusive recovery'.

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Frameworks of non-financial reporting

information disclosed throughout the Union. Such statement should include a description of the policies, outcomes and risks related to those matters.³

Moreover, the Directive requires companies to inform the market on *'the diversity policy applied in relation to the undertaking's administrative, management and supervisory bodies with regard to aspects such as age, gender, or educational and professional backgrounds, the objectives of that diversity policy, how it has been implemented and the results in the reporting period'*. The underlying idea is that diversity of competences and views facilitates a good understanding of the business organization and affairs of the undertaking concerned.

The Directive 2014/95/EU has been implemented in Italy by Legislative Decree no. 254 of December 30, 2016, in force since January 25, 2017. The new provisions are applicable from the fiscal year starting on January 1, 2017 and during the 2017 calendar year. Following the Legislative Decree, Consob had its consultation with the financial market on the regulatory provisions aimed at implementing the Decree.

Given the developments mentioned above, it is interesting to review how Italian listed companies are doing with respect to non-financial reporting. Before going through this, however, it is important to recall briefly the main concepts and methods underlying the disclosure of non-financial information.

Non-financial reporting rests on the key concept of materiality. Materiality analysis allows organizations to obtain a clear view of the areas that matter most to them and at the same time to their stakeholders, to prioritize and to take the right actions to improve their performance in those areas. The process of labelling material topics requires a comprehensive framework that systematically identifies and prioritizes issues, risks and opportunities. To this respect, there are two main frameworks of reference.

The first one is developed by the Global Reporting Initiative (GRI) in its G4 Reporting Principles and Standard Disclosures. GRI standards emphasize the need to report on issues that reflect their economic, environmental and social impacts on the basis of a dialogue with their stakeholders. According to the GRI, *'material aspects are those that reflect the organization's significant economic, environmental and social impacts; or that substantively influence the assessments and decisions of stakeholders'*. Following this standard, material aspects are identified by analysing their relevance to both the firm and its stakeholders. The final output is the materiality matrix, which ranks each matter under consideration both by the importance to the organization itself and by the relevance to the organization's stakeholders, such as customers,

³ As regards environmental matters, information may detail the current and foreseeable impacts of the undertaking's operations on the environment, and, as appropriate, on health and safety, the use of renewable and/or non-renewable energy, greenhouse gas emissions, water use and air pollution. As regards social and employee-related matters, the information provided in the statement may concern the actions taken to ensure gender equality, implementation of fundamental conventions of the International Labour Organization, working conditions, social dialogue, respect for the right of workers to be informed and consulted, respect for trade union rights, health and safety at work and the dialogue with local communities, and/or the actions taken to ensure the protection and the development of those communities. With regard to human rights, anti-corruption and bribery, the non-financial statement could include information on the prevention of human rights abuses and/or on instruments in place to fight corruption and bribery.

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employees, NGO's and suppliers. Issues are material when they are relevant to both firms and stakeholders.

The alternative approach comes from the Integrated Reporting (IR) guiding principles and framework, where material aspects are selected taking into account their capacity to create value over time: *'a matter is material if it could substantively affect the organization's ability to create value in the short, medium or long term'*. Matters related to value creation, strategy, governance, performance or prospects are considered relevant. The point of view of key stakeholders (providers of financial capital, in particular) is critical.

Clearly, IR guiding principles and G4 Reporting Principles and Standard Disclosures can be combined and used together.

This section gives an overview of the current situation in non-financial disclosure by Ftse Mib companies and has two objectives. First, evidence is gathered on how many firms have voluntarily disseminated non-financial information in 2016 and which document they published (either a Sustainability Report or an Integrated Report). Data are also collected on whether non-financial disclosure rests on the materiality analysis as well as on the process underlying such analysis.

Second, the analysis ascertains whether non-financial issues are considered also at the board level, i.e., whether firms take into account directors' non-financial skills and competences when dealing with board composition and functioning. This is an important topic given that, on the one hand, institutional investors increasingly ask boards to oversee non-financial matters and, on the other, Italian directors do not seem fully aware of the relevance of non-financial matters yet (see Integrated Governance Survey - NedCommunity - Methodos 2017).

The majority of Ftse Mib companies (26 out of 33) published a report on non-financial issues related to 2016 fiscal year, i.e. either a Sustainability Report (18 cases) or an Integrated Report (4 cases) or both (4 cases; Fig. 5.1).

Among the 26 firms reporting on non-financial issues, 24 have conducted a materiality analysis. Moreover, they have all described the process underlying the analysis itself, even if with different levels of detail.⁴

In order to explore the way companies appraised the relevance of the identified non-financial issues, attention was paid on whether they carried out both an internal (i.e., from their own perspective) and an external (i.e., from the stakeholders' perspective) analysis.

In 21 cases the relevance to the company of the selected matters is identified after embarking on a dialogue with the top management, while in three cases no information on the internal bodies involved in the materiality assessment is provided. Eleven firms out of 21 disclose the way managers have been involved in the process, mainly through interviews and questionnaires, while the remaining companies don't give any explanation.

The current situation in non-financial reporting in Italy

Non-financial disclosure

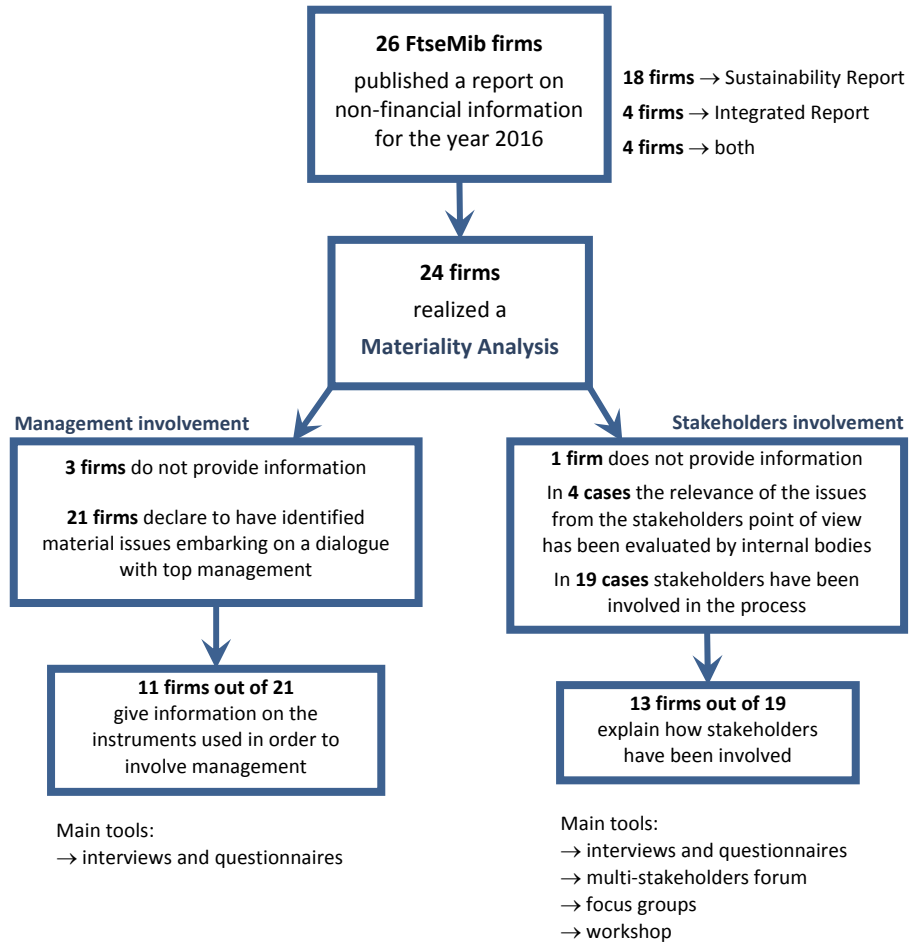
⁴ The sample does not include one firm presenting the materiality analysis realized in 2015.

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Fig. 5.1 – Non-financial disclosure



With reference to the external assessment, 19 out of the 24 firms presenting the materiality analysis state that stakeholders have been directly involved in the process, one firm doesn't provide any information, while the remaining four companies seem to have accounted for the stakeholders' point of view by relying on the internal bodies rather than engaging the stakeholders themselves.

Among firms mentioning the stakeholders' involvement, six do not deliver any information on the way they were engaged. In the remaining cases, companies dialogue with stakeholders with different tools, being surveys and questionnaires the most widespread, followed by multi-stakeholders forum, focus groups and workshops.

Non-financial at the board

The materiality analysis allows firms to detect the topics that are relevant to their organizations, the environment and the community. It is interesting to check whether companies consider non-financial topics relevant also with respect to the board members' selection, that is whether they choose directors by taking into account also the skills required to preside non-financial matters. This feature was explored by referring to various documents.

First, the board evaluation process performed over the year was considered. According to the Corporate Governance Code (article 1, criterion 1.c.1 let. g)) 'the Board of Directors shall perform at least annually an

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evaluation of their performance, as well as their size and composition, taking into account the professional competence, experience, (including managerial experience) gender of its members and number of years as director'.

Second, the guidelines issued by the board in charge in occasion of directors' appointment were analysed. Indeed, according to article 1 criterion 1.c.1 h) of the Corporate Governance Code, the board of directors, *'taking into account the outcome of the evaluation (...), report its view to shareholders on the managerial and professional profiles, deemed appropriate for the composition of the Board of Directors, prior to its nomination'.*

Finally, it was checked whether the induction sessions organized by the firm for corporate boards considered also non-financial issues, in the light of the Code recommendation ex art. 2, criterion 2.c.2 stating that *'The chairman of the Board of Directors shall use his best efforts to allow the directors and the statutory auditors, after the election and during their mandate, to participate, in the ways deemed appropriate, in initiatives aimed at providing them with an adequate knowledge of the business sector where the issuer operates, of the corporate dynamics and the relevant evolutions, of the principles of proper risk-management as well as the relevant regulatory and self-regulatory framework'.*

As shown in the following Table the board self-assessment refers to non-financial issues only in two cases: one underlying the need to devote more time to the analysis of matters related to informatics systems and to social and environmental sustainability, and the other highlighting the special attention dedicated by directors to sustainability and social responsibility topics.

Regarding the guidelines issued by companies prior to the board appointment, non-financial issues are considered relevant in 10 cases. Expertise on corporate governance topics are deemed important in most of the cases (8 out of 10); remuneration competences are required in 4 cases; skills related to digital innovation are suggested in 3 cases, while only two boards underline the importance of competence on non-financial matters.

Finally, 7 firms have organized training programmes (one off-site) for corporate boards on non-financial topics during the year.

Tab. 5.1 – Non-financial matters at the board

	focus on non-financial matters	type of matter
board evaluation	2 firms out of 26	Informatics systems and cyber security/social and environmental sustainability Sustainability and social responsibility
guidelines	10 firms out of 26	Corporate governance (8 cases) Remuneration (4 cases) Digital innovation (3 cases) Sustainability (2 cases)
induction programmes	7 firms out of 26	Sustainability (4 cases) Digital innovation (one case) Remuneration (2 cases) Corporate governance (2 cases)

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Focus: board diversity in Europe

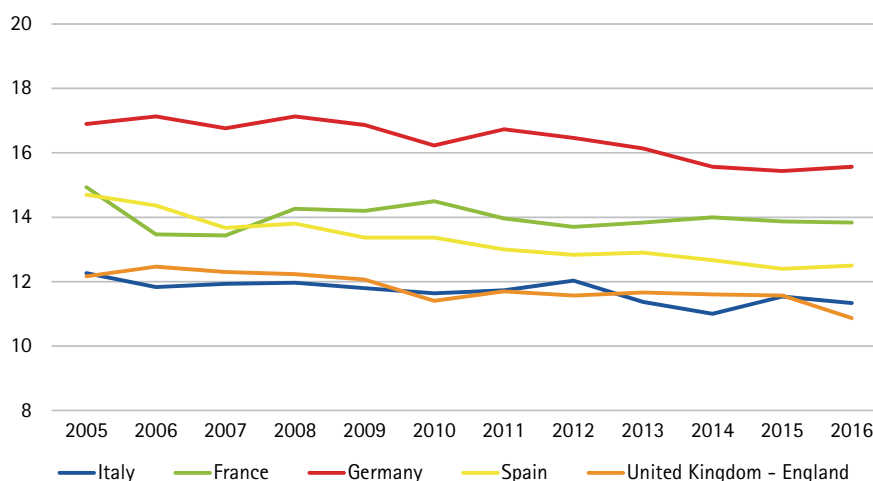
Board diversity across largest European firms

This Section focuses on the composition of corporate boards across five European countries, i.e., France, Germany, Italy, Spain and the United Kingdom, over the period 2005–2016. Data refer to the major thirty listed firms by market capitalisation of each of the sampled country. For the sake of comparison, financial companies, which are subject to different rules from those envisaged for corporate firms, are not included. Data are drawn from Boardex, a dataset containing information on the characteristics of directors all around the world. Detailed descriptive tables for every country are reported at the end of this Section (Tab. 6.1–Tab. 6.6).

Board size

Over 2005–2016, board size has declined on average in all countries (Fig. 6.1). In Germany, where the two-tier system is envisaged, members of major firms' supervisory boards passed from 17 to 15.6 over the period under consideration. In French listed firms boards have steadily been bigger than elsewhere since 2008, reaching an average size of 14 directors at the end of 2016 versus the almost 11 members recorded in Italy and the United Kingdom.

Fig. 6.1 – Average board size



Source: Boardex. Data on the major thirty listed firms by market capitalisation of each of the sampled country. For firms adopting the two-tier system the supervisory board is considered.

Women's representation

Until 2012 women's representation on boards of the largest European firms has remained limited, with Italy recording the lowest figures (Fig. 6.2). Since then, however, the presence of female directors has significantly grown thanks to legislative and self-regulatory initiatives adopted over time.

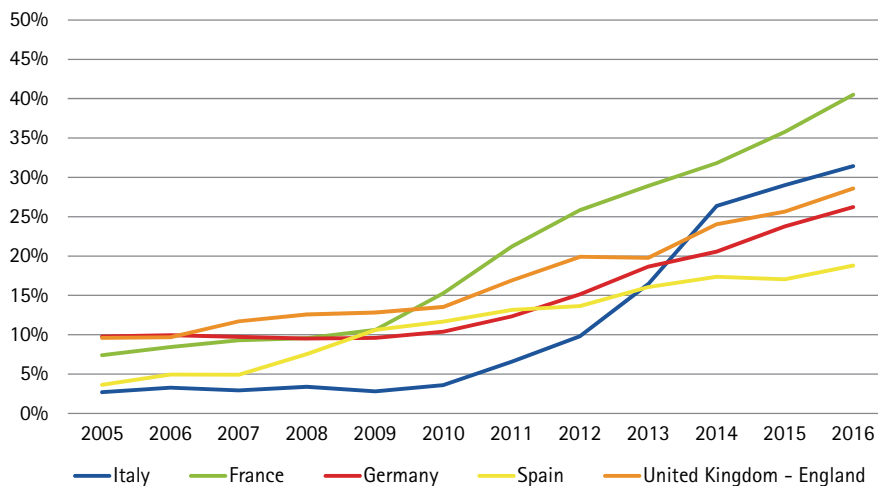
Gender balance has shown the largest acceleration in major French companies, where by the end of 2016 women accounted on average for 40% of board directors, up from 7% in 2005. This result was triggered by the 2011 Law, which has envisaged a progressive application of gender quotas from 2014 onwards. In detail, listed companies had to set the proportion of board members of each gender no lower than 20% for the first appointments after 1

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January 2014, and no lower than 40% for the first appointments after 1 January 2017. This provision has also been extended to large unlisted firms with more than 500 employees or revenues higher than 5 million euros.

Fig. 6.2 – Average percentage of women



Source: Boardex. Data on the major thirty listed firms by market capitalisation of each of the sampled country. For firms adopting the two-tier system the supervisory board is considered.

Over the last years, gender diversity has been steadily advancing also in Italian large corporates, driven by the implementation of Law 120/2011. The Law mandates gender quotas for the three board appointments after August 2012. According to the Law, the members of the under-represented gender shall account for at least one-third of the board (one-fifth for the first term). Following the newly enacted gender Law, Italy is now the second country, after France, displaying the highest percentage of female directors (31.4% at the end of 2016).

Germany has addressed gender representation in 2015, by passing the Gender Equality Act applicable from January 2016. The Law requires that at least 30% of supervisory board members of some big companies have to be women. Probably due to increasing market pressure, female representation in supervisory boards has however started to grow long before the adoption of the Law, almost tripling its value over the time span under review, from 10% in 2005 to 27% in 2016.

Differently from the countries analysed so far, the rise in female representation in major British and Spanish firms was driven by self-regulatory initiatives.

In the United Kingdom, a 2011 recommendation was designed to achieve 25% of female representation in Ftse100 companies by 2015. Following this initiative, the percentage of women holding a seat in the boards of the sampled companies has risen from 9.6% in 2005 to 28.6% in 2016.

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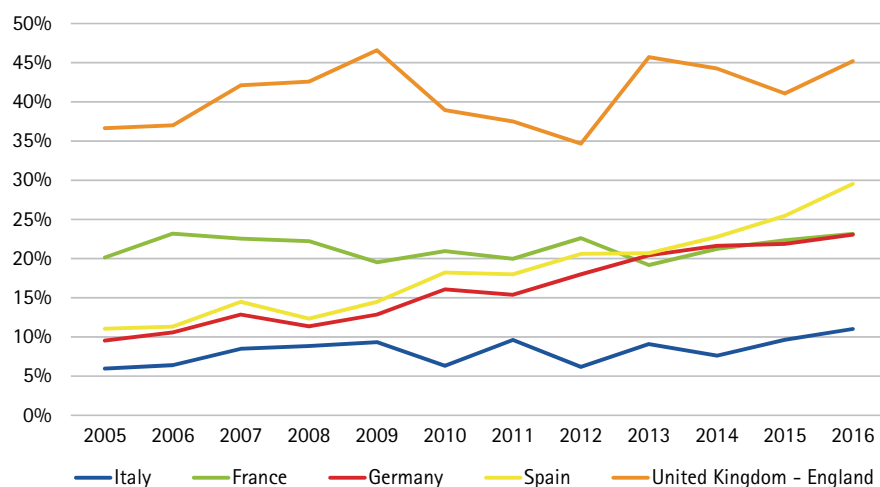
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Foreign directors

The Spanish Self-Regulatory Code advocates for a greater female representation on corporate boards through a 2015 recommendation, suggesting that before 2020 the director selection policy should pursue the goal of having at least 30% of board seats held by women.⁵ At the end of 2016, therefore, major Spanish companies still lag behind their European peers, with a percentage of female directors slightly lower than 19%, which is nevertheless substantially higher than its 2005 level (3.6%).

Apart from France, representation of foreign directors has increased across all the European sampled countries, although at a different pace. Large firms in the United Kingdom have traditionally been the most diverse in terms of nationality, while Italian companies lie at the other end of the spectrum (Fig. 6.3). In details, in 2016 foreign directors accounted for almost half of the board members in major British companies (36.7% in 2005), while achieving 11% in the board of the Italian peers (6% in 2005). Board composition in terms of nationality has experienced a rise in diversity also in Germany and Spain, while remaining substantially stable in France.

Fig. 6.3 – Average percentage of foreign directors



Source: Boardex. Data on the major thirty listed firms by market capitalisation of each of the sampled country. For firms adopting the two-tier system the supervisory board is considered.

Independent directors

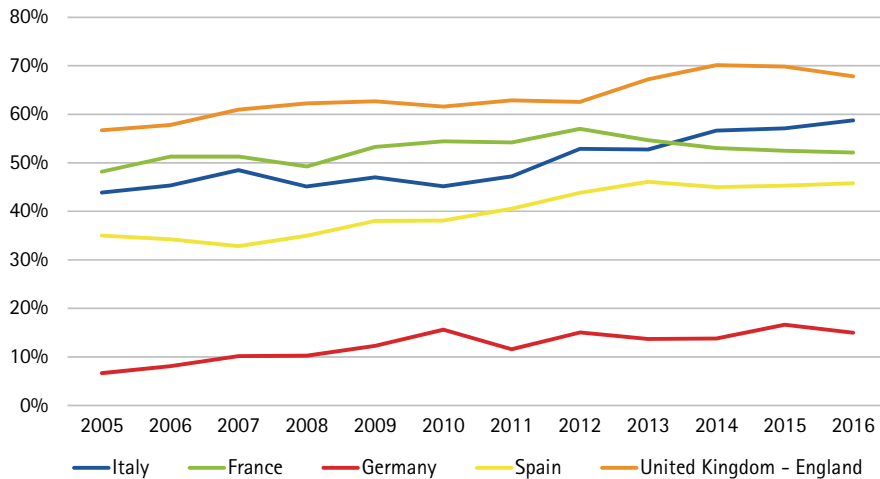
Evidence shows that over time the proportion of independent directors on corporate boards has increased across Europe (Fig. 6.4). At the end of 2016, the United Kingdom is the country with the highest representation of independent directors (67.8%), followed by Italy (58.7%), France (51.4%), Spain (46%) and Germany (where 15% of the members of the supervisory boards are independent).

⁵ In 2007 a law was passed requiring a representation of at least 40% of each gender by 2015. However, such a law is directed only to state owned companies with more than 250 employees and it does not envisage penalties.

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Fig. 6.4 – Average percentage of independent directors

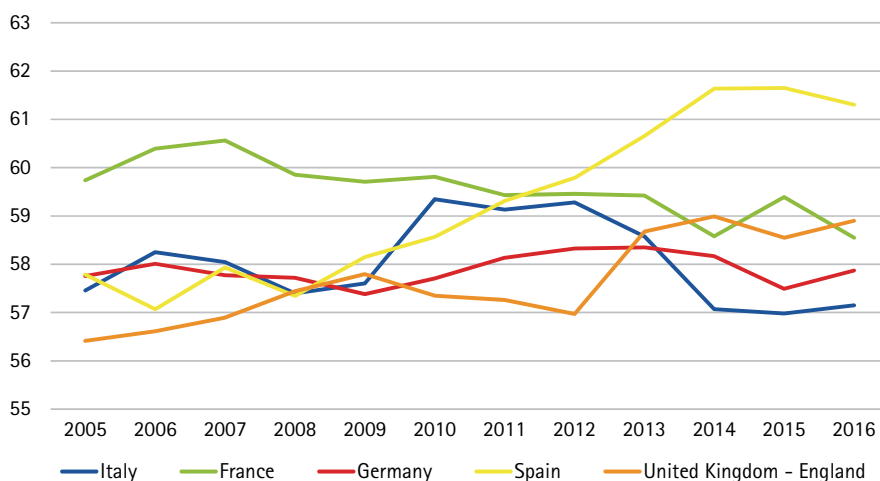


Source: Boardex. Data on the major thirty listed firms by market capitalisation of each of the sampled country. For firms adopting the two-tier system the supervisory board is considered.

Over the period considered, the average age of board members' has remained substantially unchanged in Germany and Italy, while rising by about two years in the United Kingdom and Spain (Fig. 6.5). At the end of 2016, boards are the oldest in large Spanish firms, where directors are on average 61.3 years old, while being the youngest in Italy, where the average age is 57 years.

Directors' age

Fig. 6.5 – Average age of directors



Source: Boardex. Data on the major thirty listed firms by market capitalisation of each of the sampled country. For firms adopting the two-tier system the supervisory board is considered.

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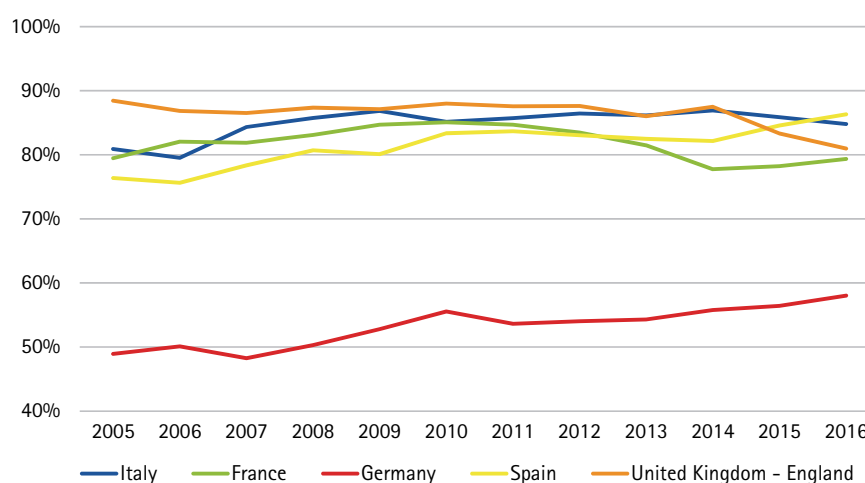
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Education

As for the level of education, the proportion of graduated directors has persistently ranged between 80% and 90% in all large European firms over the whole period under consideration (Fig. 6.6). The only exception concerns German supervisory boards, which have recorded on average slightly more than 50% of graduated directors, although this percentage has steadily risen over the last few years.

Fig. 6.6 – Average percentage of graduated directors



Source: Boardex. Data on the major thirty listed firms in term of market capitalisation of each of the sampled country. For firms adopting the two-tier system the supervisory board is considered.

Executive and non-executive directors

Finally, it is interesting to compare board members' characteristics (i.e., gender, nationality and age) across executive and non-executive directors (for Germany data refer respectively to the members of the management and the supervisory boards; Fig. 6.8 - Fig. 6.7).

At the end of 2016, as expected, executive directors are less diverse than non-executive ones both in terms of gender and nationality. As for gender diversity, on average women account for 33% of non-executives *versus* 5.7% of executives: this difference is less marked in the United Kingdom (34% *versus* 11%) and Germany (26% *versus* 7%), than in the other countries (in Italy and in France female representation among executives accounts for only 3% and 6%, respectively).

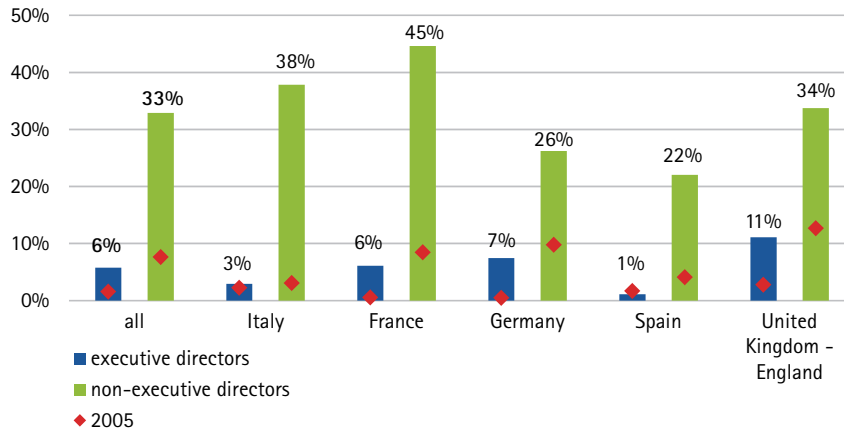
When it comes to the directors' nationality, on average foreign board members represent 28% of non-executive directors and 20% of executives. This mismatch is far more pronounced in Spain and France than in Italy and the United Kingdom. In German large companies, the proportion of foreign directors is higher in the management board (31% *versus* 23% in the supervisory board).

As for age, on average non-executive directors are 59 years old, almost 4 years older than executives. This difference, however, shrinks to one year in Italian and French major companies, while reaching 7 years in British firms.

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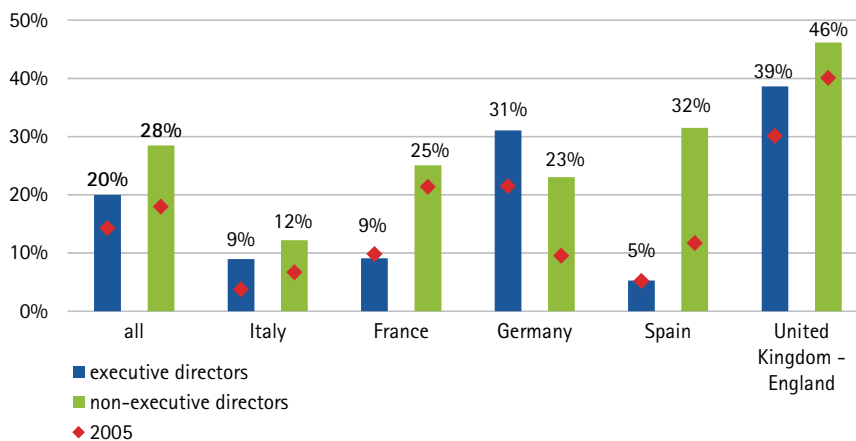
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Fig. 6.7 – Percentage of female directors among executives and non-executives
(end of 2016)



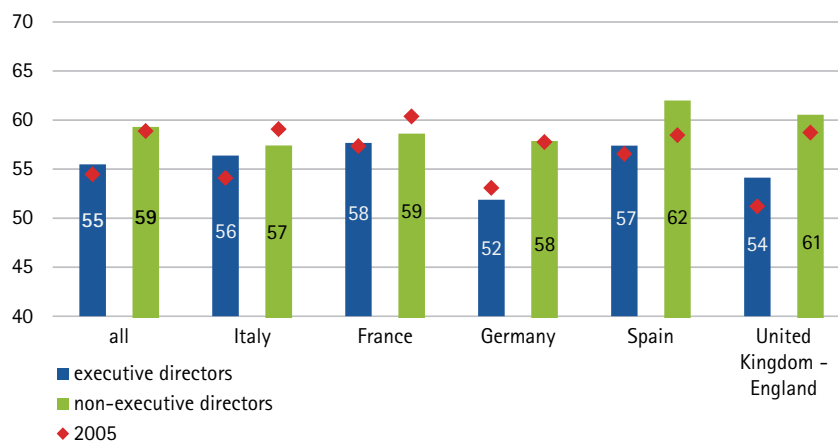
Source: Boardex. Data on the major thirty listed firms in term of market capitalisation of each of the sampled country.

Fig. 6.8 – Percentage of foreign directors among executives and non-executives
(end of 2016)



Source: Boardex. Data on the major thirty listed firms by market capitalisation of each of the sampled country.

Fig. 6.9 – Average age of executives and non-executive directors
(end of 2016)



Source: Boardex. Data on the major thirty listed firms by market capitalisation of each of the sampled country.

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Tab. 6.1 – Characteristics of directors in French listed companies adopting the traditional system

	average board size	% foreigners	% women	% graduated	average age	executive directors		independent directors	
						%	average no.	%	average no.
2005	15.3	20.3	7.1	79.1	59.4	15.2	2.4	47.8	7.0
2006	14.5	24.8	8.1	82.2	59.9	14.0	2.0	48.6	6.8
2007	14.3	22.6	9.0	81.4	60.5	13.5	1.9	48.0	6.8
2008	14.6	21.6	10.0	83.3	60.0	11.6	1.7	47.1	6.8
2009	15.1	20.1	10.5	84.6	59.7	11.1	1.7	48.7	7.2
2010	15.3	21.3	13.4	84.8	59.9	11.5	1.8	50.2	7.6
2011	14.4	21.0	21.6	84.3	59.6	11.9	1.7	51.3	7.3
2012	14.1	23.9	24.8	84.4	59.2	11.1	1.5	54.6	7.6
2013	14.2	20.5	27.4	81.9	59.4	12.0	1.6	53.5	7.5
2014	14.4	23.1	30.4	77.6	58.8	13.2	1.8	51.8	7.4
2015	14.3	24.1	34.1	78.3	60.0	11.5	1.5	51.6	7.3
2016	14.2	24.1	40.0	79.8	59.0	11.1	1.5	51.4	7.2

Source: Boardex. Data are related to the companies adopting the traditional system among the first thirty non-financial companies listed on Euronext Paris (companies adopting the two-tier system are excluded).

Tab. 6.2 – Characteristics of the management boards in German listed companies

	average board size	% foreigners	% women	% graduated	average age
2005	5.9	21.5	0.5	83.2	53.1
2006	6.2	24.5	0.3	84.3	52.6
2007	5.9	25.7	0.4	84.4	52.2
2008	5.5	24.5	0.0	85.3	52.7
2009	5.5	22.2	0.4	83.8	52.7
2010	5.4	25.9	1.9	82.5	52.6
2011	5.8	27.6	3.1	85.0	52.8
2012	6.0	25.7	6.2	82.9	52.2
2013	5.9	26.3	6.5	79.6	52.5
2014	5.6	31.1	5.5	79.9	52.0
2015	5.8	29.6	6.5	80.3	52.3
2016	5.7	31.1	7.5	80.8	51.9

Source: Boardex. Data on the major thirty firms by market capitalisation listed on the Deutsche Börse.

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Tab. 6.3 – Characteristics of the supervisory boards in German listed companies

	average board size	% foreigners	% women	% graduated	average age	average % independent	average no. independent
2005	16.9	9.5	9.9	48.9	57.8	6.6	0.8
2006	17.1	10.6	9.9	50.1	58.0	8.1	1.0
2007	16.8	12.8	9.7	48.2	57.8	10.1	1.3
2008	17.1	11.3	9.7	50.3	57.7	10.2	1.4
2009	16.9	12.8	9.9	52.8	57.4	12.3	1.7
2010	16.2	16.1	10.9	55.6	57.7	15.6	2.1
2011	16.7	15.4	12.5	53.6	58.1	11.6	1.7
2012	16.5	18.0	15.4	54.0	58.3	15.1	2.1
2013	16.1	20.4	19.6	54.3	58.3	13.7	1.9
2014	15.6	21.6	21.8	55.8	58.2	13.8	1.9
2015	15.4	21.9	24.8	56.4	57.5	16.6	2.3
2016	15.6	23.0	27.0	58.0	57.9	15.0	2.1

Source: Boardex. Data on the major thirty firms by of market capitalisation listed on the Deutsche Börse.

Tab. 6.4 – Characteristics of directors in Italian listed companies

	average board size	% foreigners	% women	% graduated	average age	executive directors		independent directors	
						%	average no.	%	average no.
2005	12.3	6.0	2.7	80.9	57.5	22.2	2.6	43.9	5.2
2006	11.8	6.4	3.3	79.5	58.2	22.7	2.6	45.4	5.2
2007	11.9	8.5	2.9	84.3	58.0	22.7	2.6	48.5	5.7
2008	12.2	8.8	3.4	85.8	57.4	24.7	3.0	45.1	5.3
2009	12.1	9.3	2.8	86.9	57.6	25.6	3.1	47.0	5.5
2010	11.9	6.3	3.6	85.1	59.3	25.1	2.9	45.1	5.3
2011	12.0	9.6	6.6	85.7	59.1	23.1	2.8	47.2	5.5
2012	12.3	6.2	9.8	86.4	59.3	22.5	2.7	52.9	6.4
2013	11.6	9.1	16.4	86.2	58.6	22.5	2.6	52.7	6.1
2014	11.0	7.6	26.4	86.9	57.1	21.2	2.4	56.7	6.2
2015	11.5	9.6	29.0	85.9	57.0	19.8	2.3	56.7	6.5
2016	11.3	11.0	31.4	84.8	57.1	19.0	2.2	58.7	6.5

Source: Boardex. Data on the major thirty firms by market capitalisation listed on Borsa Italiana spa - Mta Stock Exchange.

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Tab. 6.5 – Characteristics of directors in Spanish listed companies

	average board size	% foreigners	% women	% graduated	average age	executive directors		independent directors	
						%	average no.	%	average no.
2005	14.7	11.0	3.6	76.4	57.8	18.6	2.6	35.0	5.0
2006	14.4	11.3	5.0	75.6	57.1	18.0	2.5	34.3	4.7
2007	13.7	14.5	4.9	78.3	57.9	19.4	2.4	32.8	4.3
2008	13.8	12.3	7.6	80.7	57.3	17.8	2.3	34.9	4.7
2009	13.4	14.5	10.6	80.1	58.1	16.9	2.1	38.0	5.0
2010	13.4	18.2	11.7	83.3	58.6	16.8	2.1	38.1	5.1
2011	13.0	18.0	13.2	83.7	59.3	16.9	2.1	40.5	5.1
2012	12.8	20.6	13.7	83.1	59.8	17.2	2.2	43.8	5.5
2013	12.9	20.7	16.0	82.5	60.7	17.6	2.2	46.1	5.8
2014	12.7	22.8	17.4	82.1	61.6	16.5	2.1	45.0	5.6
2015	12.4	25.5	17.0	84.6	61.6	15.4	1.9	45.3	5.5
2016	12.5	29.5	18.8	86.3	61.3	14.8	1.9	45.8	5.6

Source: Boardex. Data on the major thirty firms in term by capitalisation listed on the Bolsa de Madrid.

Tab. 6.6 – Characteristics of directors in the UK listed companies

	average board size	% foreigners	% women	% graduated	average age	executive directors		independent directors	
						%	average no.	%	average no.
2005	12.2	36.7	9.6	88.4	56.4	32.1	4.0	56.7	6.9
2006	12.5	37.0	9.7	86.9	56.6	31.7	4.0	57.8	7.2
2007	12.3	42.1	11.7	86.5	56.9	27.6	3.4	60.9	7.5
2008	12.2	42.6	12.6	87.3	57.4	26.7	3.2	62.2	7.6
2009	12.1	46.6	12.8	87.1	57.8	27.3	3.2	62.7	7.6
2010	11.4	39.0	13.5	88.0	57.4	28.3	3.2	61.6	7.0
2011	11.7	37.5	16.9	87.6	57.3	27.0	3.2	62.9	7.3
2012	11.6	34.7	19.9	87.6	57.0	27.0	3.1	62.6	7.2
2013	11.7	45.7	19.8	86.0	58.7	23.4	2.7	67.2	7.9
2014	11.6	44.3	24.0	87.5	59.0	22.2	2.5	70.1	8.2
2015	11.6	41.1	25.7	83.3	58.5	23.1	2.6	69.8	8.1
2016	10.9	45.2	28.6	81.0	58.9	23.8	2.5	67.8	7.4

Source: Boardex. Data on the major thirty firms by market capitalisation listed on the London Stock Exchange.