



# Directors' Explanatory Report on the Agenda of the Ordinary Shareholders' Meeting

*convened for 20 April 2022 (first call) and, if necessary,  
on 21 April 2022 (second call)*



**Servizi  
Italia**

SERVIZI ITALIA S.P.A.  
via San Pietro, 59/B - 43019 Castellina di Soragna (PR) - ITALY  
Share Capital: Euro 31.809.451 fully paid-up  
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Dear Shareholders:

The Board of Directors of Servizi Italia S.p.A. (the "**Company**") hereby submits to you this Report prepared in accordance with Article 125-ter, paragraph 1 of Italian Legislative Decree no. 58/1998, as amended ("**TUF**"), Articles 73 and 84-ter of the Regulations adopted by Consob with resolution no. 11971/99, as amended ("**Issuers' Regulations**"), as well as Annex 3A, Schedule 4 of the Issuers' Regulations, to provide information on the items 1, 2, 3 and 4 of the agenda of the Ordinary Shareholders' Meeting convened at the registered office of the Company, in Via San Pietro 59/b, 43019, Castellina di Soragna (PR), on **20 April 2022 at 10:30 a.m.** in first call and, if necessary, in second call on 21 April 2022, at the same place and time.

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With reference to the first item on the agenda of the Shareholders' Meeting:

**1. Separate financial statements as at 31 December 2021; Board of Directors' management report; Board of Statutory Auditors' Report and Independent Auditors' Report; allocation of the profit for the year; related and consequent resolutions; presentation of the consolidated financial statements as at 31 December 2021:**

**1.1. approval of the separate financial statements as at 31 December 2021 and of the Director's Report on Operations of the Board of Directors;**

**1.2. allocation of the result for the year.**

Dear Shareholders:

We wish to remind you that all comments relating to the first item on the agenda, including the related proposed resolutions, are included in the file "Annual Financial Report as at 31 December 2021", which will be made available to the public at least twenty-one days before the date of the Shareholders' Meeting on first call, i.e. by 29 March 2022, at the registered office, in the authorised storage mechanism eMarket Storage at the address [www.emarkestorage.com](http://www.emarkestorage.com) and on the website of the Company [www.servizitaliagroup.com](http://www.servizitaliagroup.com) (*Corporate Governance*>Shareholders' Meeting>2022), including the draft separate financial statements and the consolidated financial statements at 31 December 2021, together with the Directors' Report on Operations, the attestation pursuant to Article 154-bis paragraph 5 of the TUF [Consolidated Law on Finance], and the Reports of the Independent Auditors and of the Board of Statutory Auditors. Within the same period and according to the same methods, the additional documentation required by the regulations in force will be made available to the public.

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With reference to the second item on the agenda of the Shareholders' Meeting:

**2. Report on the "Remuneration policy and remuneration paid" pursuant to Article 123-ter of Italian Legislative Decree no. 58 of 24 February 1998: advisory vote on the second section; related and consequent resolutions.**

Dear Shareholders:

We wish to remind you that any comments relating to the second item on the agenda are included in the Report on the remuneration policy and remuneration paid drafted by the Board of Directors pursuant to Article 123-ter of the TUF, which will be made available to the public at least twenty-one days before the date of the Shareholders' Meeting on first call, i.e. by 29 March 2022, at the Company's registered office, in the authorised eMarket Storage mechanism at [www.emarkestorage.com](http://www.emarkestorage.com) and on the Company's website [www.servizitaliagroup.com](http://www.servizitaliagroup.com) in the *Corporate Governance*>Shareholders' Meeting>2022 section.

It should be noted that the Report on remuneration policy and remuneration paid consists of two sections: (i) the first providing a clear and comprehensible description of the remuneration policy for the members of the Board of Directors and executives with strategic responsibilities with reference to the financial years 2021-2023 and, without prejudice to the provisions of Article 2402 of the Italian Civil Code, for the members of the control body, as well as of the procedures pertaining to the adoption and implementation of this policy; (ii) the second is aimed at providing, in a clear and comprehensible manner, an adequate representation of the items that make up the remuneration of the management and control bodies and executives with strategic responsibilities, and at informing on the remuneration paid in the financial year 2021.

It should also be noted that, pursuant to the applicable Article 123-ter of the TUF (as amended by Italian Legislative Decree no. 49 of 10 May 2019), the Shareholders' Meeting of 20 April 2021 has approved the Remuneration policy of the Company for the financial years 2021-2023, which will be available in "Section One" of the Report on the Remuneration policy and remuneration paid.

Pursuant to the applicable Article 123-ter, paragraph 6 of the TUF, the Shareholders' Meeting will be required to cast its non-binding vote on "Section Two" of the Report on remuneration policy and remuneration paid.

### **Proposal for Board of Directors resolutions**

The Shareholders' Meeting is therefore invited to approve the following proposed resolutions:

*"The Shareholders' Meeting:*

- *having regard to Articles 123-ter of Italian Legislative Decree no. 58 of 24 February 1998 and 84-quater of the Regulation adopted by Consob resolution no. 11971/99;*
- *having acknowledged the Remuneration Policy for the three-year period 2021-2023 approved by the Shareholders' Meeting on 20 April 2021 and made available in the first section of the Report on the Remuneration policy and remuneration paid, drawn up by the Board of Directors;*
- *having acknowledged the second section of the Report on remuneration policy and remuneration paid prepared by the Board of Directors pursuant to Article 123-ter of Italian Legislative Decree no. 58 of 24 February 1998;*
- *considering that, pursuant to Article 123-ter, paragraph 6 of Italian Legislative Decree no. 58 of 24 February 1998, this resolution shall not be binding on the Board of Directors;*

*resolves*

*to express favourable opinion on the second section of the Report on remuneration policy and remuneration paid prepared by the Board of Directors of Servizi Italia S.p.A. pursuant to Article 123-ter of Italian Legislative Decree no. 58 of 24 February 1998."*

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With reference to the third item on the agenda of the Shareholders' Meeting:

**3. integration of the Board of Statutory Auditors; resolutions pertaining thereto and resulting therefrom:**

**3.1. integration of the Board of Statutory Auditors;**

**3.2. determination of the relevant remuneration.**

Dear Shareholders:

We wish to remind you that:

- pursuant to Article 20 of the Articles of Association, the Company's Board of Statutory Auditors consists of three Standing Auditors and two Alternate Auditors.
- the Company's Board of Statutory Auditors currently in office was appointed by the Ordinary Shareholders' Meeting of 28 April 2020 for three financial years, i.e. until the date of the Shareholders' Meeting called to approve the financial statements for the year ending 31 December 2022;
- on 24 March 2021, the Standing Auditor Ms Benedetta Pinna (drawn from the list submitted by the majority shareholder Aurum S.p.A.) has resigned from office with effect from 2 April 2021;
- as of 2 April 2021, in accordance with the law and the Articles of Association, the office of Standing Auditor was taken over by Alternate Auditor Ms Elena Lotti (drawn from the same list as the resigning Standing Auditor submitted by the majority shareholder Aurum S.p.A. at the Shareholders' Meeting of 28 April 2020), who will remain in office until the next Shareholders' Meeting.

It is therefore necessary, pursuant to Article 2401 of the Italian Civil Code, to integrate the Board of Statutory Auditors, specifying that, since the list voting mechanism does not apply, the Shareholders' Meeting will be called upon to resolve by majority vote, in compliance with the criteria for the composition of the Board of Statutory Auditors provided for by the laws and regulations in force and by Article 20 of the Articles of Association.

It should be noted that Article 2401 of the Italian Civil Code provides that the Shareholders' Meeting may alternatively (i) confirm as Standing Auditor the Alternate Auditor who has taken over, and appoint a new Alternate Auditor, or (ii) appoint a new Standing Auditor, in which case the Alternate Auditor who has already taken over the position of Standing Auditor will resume his/her position of Alternate Auditor. Pursuant to Article 2401 of the Italian Civil Code, the term of office of the newly appointed members will expire at the same time as that of the current members of the Board (i.e. with the Shareholders' Meeting called to approve the financial statements for the year ending 31 December 2022).

The Statutory Auditors must meet the requirements of integrity, professionalism and independence laid down by the laws and regulations in force; to this end, Article 20.3 of the Articles of Association specifies that the matters and sectors of activity strictly related to those of the Company are those indicated in the corporate purpose.

It should also be noted that Article 20.1 of the Articles of Association provides that the composition of the Board of Statutory Auditors must ensure a balance between genders in accordance with the legislation, including any regulations, in force from time to time which, at the moment, in implementation of Article 148, paragraph 1-*bis* of the TUF (as replaced by Italian Law no. 160 of 27 December 2019), reserves for the less represented gender a quota equal to at least two-fifths of the standing members of the Board of Statutory Auditors, rounded down to the lower unit (the Board of Statutory Auditors being a body consisting of three standing members). Moreover, taking into account the need to comply with the balance between genders also in case of replacement of Auditors during their term of office, the Board of Statutory

Auditors must include at least one Standing Auditor and one Alternate Auditor from the less represented gender who can replace him or her.

It is therefore necessary that the candidates to be submitted by the Shareholders be of the female gender, so as to ensure a balance between the genders within the Board of Statutory Auditors in accordance with the applicable laws and the Articles of Association.

Shareholders are invited to submit to the Company's registered office, well in advance, in order to facilitate the collection of proxies and the related voting instructions from the Designated Representative, taking into account the procedures of the Shareholders' Meeting, the proposals for candidacy for the office of Standing and/or Alternate Auditor, accompanied by: (i) information on the identity of the submitting Shareholders, with an indication of the total percentage of shareholding held, proven by appropriate documentation issued by an intermediary authorised by law; (ii) the *curriculum vitae* containing an exhaustive description of the personal and professional characteristics of each candidate, with an indication of the administration and control positions held in other companies, as well as (iii) the declarations with which the individual candidates accept the appointment and certify, under their own responsibility, the non-existence of causes of ineligibility and incompatibility, also with reference to the limits on the accumulation of positions provided for by current legislation and by Article 20.2 of the Articles of Association, and declare that they meet the requirements of the law and of the Articles of Association set for holding the office of Statutory Auditor.

Considering that, pursuant to Article 2400, last paragraph, of the Italian Civil Code, at the time of appointment and prior to its acceptance, the Shareholders' Meeting must be informed of the administration and control positions held by the Statutory Auditors in other companies, we invite you to update this information, included in the curricula filed at the Company's registered office, up to the day of the appointment by the Shareholders' Meeting.

Shareholders are also asked to take into account, for the purposes of submitting their candidacies, the following criteria laid down in the diversity policy in force, adopted by the Board of Statutory Auditors, in addition to the requirements of integrity, professionalism and independence set forth by the law and recommended by the Corporate Governance Code:

- (i) the majority of Statutory Auditors should be registered auditors;
- (ii) the composition of the Board of Statutory Auditors must in any case ensure gender balance in accordance with the provisions of the law and the Articles of Association in force from time to time, in compliance with the gender diversity criterion set out in Recommendation 8 of the Corporate Governance Code;
- (iii) in order to ensure a balance between the need for continuity and renewal in the exercise of supervisory functions, it would be appropriate to have a balanced combination of different lengths of tenure, as well as – in order to allow for a balanced plurality of perspectives and experiences – also a balanced combination of different age groups;
- (iv) the Statutory Auditors should have managerial and/or professional and/or academic and/or institutional experience such as to achieve a combination of different and complementary skills and expertise in order to ensure an optimal performance of the supervisory functions entrusted to the Board of Statutory Auditors. In detail:
  - a) professional profiles should include the acquisition of skills and experience in positions of responsibility in accredited professional or consultancy firms and having worked in the fields of economics, accounting, law, finance and risk management;
  - b) academic and/or institutional profiles should include the acquisition of skills and experience which, due to their characteristics, may allow an optimal performance of the supervisory functions entrusted to the Board of Auditors;

(v) international projection of the Group's activities should be taken into account, ensuring the presence of at least one Statutory Auditor with adequate international experience. This experience should be assessed on the basis of managerial, professional, academic or institutional activities carried out in international contexts;

(vi) the Statutory Auditors must, as a whole, be competent in the sectors in which the Servizi Italia Group operates and that are specified in the Articles of Association. To this end, if the Statutory Auditors do not have specific expertise in these areas, it is recommended that they participate in an appropriate induction programme organised by the Company.

Appointments must be submitted to the Company's registered office by registered mail with return receipt (to the attention of the Chairman of the Board of Directors) or by certified email to the following address: [si-servizitalia@postacert.cedacri.it](mailto:si-servizitalia@postacert.cedacri.it).

It should be noted that, pursuant to Article 2402 of the Italian Civil Code and Article 20.1 of the Articles of Association, at the time of the appointment, the Shareholders' Meeting shall determine the annual remuneration due to the Statutory Auditors for the entire period of their office.

On this point, the current remuneration policy approved by the Shareholders' Meeting on 20 April 2021 provides that (i) the remuneration of the Standing Auditors must in any case be appropriate to the competence, professionalism and commitment required by the importance of the position covered and the size and sectorial characteristics of the Company; (ii) the members of the Board of Statutory Auditors are precluded from any form of variable remuneration, while any social security fund and/or reimbursement of expenses for the exercise of the office of Statutory Auditor is recognised; (iii) the Board of Directors shall refrain from making specific proposals in this regard and invites the Shareholders' Meeting to resolve on the matter on the basis of the proposals that may be submitted by the Shareholders themselves.

It should be noted that the Shareholders' Meeting of 28 April 2020, as regards the renewal of the Board of Statutory Auditors for the three-year period 2020-2021-2022, has resolved to set the gross annual remuneration of the Chairman of the Board of Statutory Auditors at Euro 25,000 per year and that of the Standing Auditors at Euro 20,000 per year each.

Shareholders who intend to submit candidates are also asked to prepare and file a proposal for a resolution on the third item of the agenda of the Shareholders' Meeting.

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Castellina di Soragna (PR), 4 March 2022

Servizi Italia S.p.A.  
For the Board of Directors  
The Chairman  
Mr Roberto Olivi