



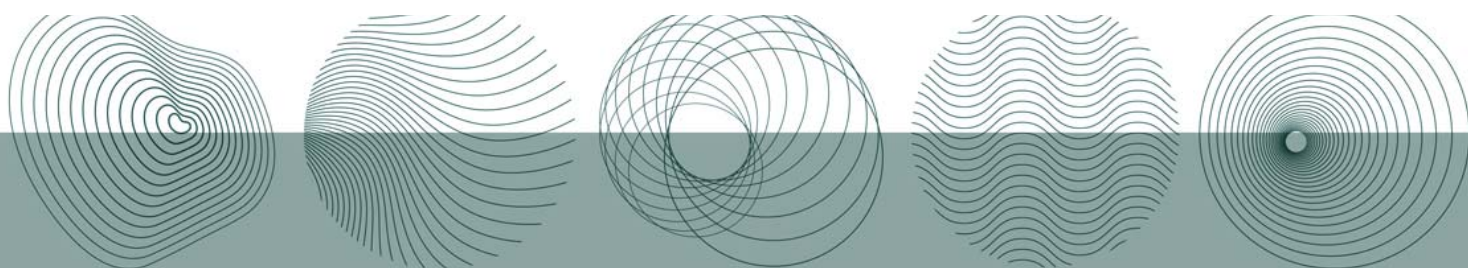
Falck Renewables

PURE POWER TO GROW

DIRECTORS' REPORT ON THE ITEM ON THE AGENDA

**ORDINARY SHAREHOLDERS' MEETING
28 APRIL 2022**

(Report prepared in accordance with Article 125-ter of "TUF" and Articles 73 and 84-ter of Issuers' Regulation)



FALCK RENEWABLES

www.falckrenewables.com

Dear Shareholders,

In compliance with Article 125-*ter* of Legislative Decree No. 58 of 24 February 1998, ("**Consolidated Financial Act**") as later amended, and with Articles 73 and 84-*ter* of the regulation implementing the TUF regarding regulation of issuers, adopted by Consob with Resolution No. 11971 of 14 May 1999, as later amended, (the "**Issuers' Regulation**"), the Board of Directors of Falck Renewables S.p.A (the "**Company**" or the "**Issuer**") hereby provides you with a report (the "**Report**") explaining the items on the agenda for the Shareholders' Meeting convened in ordinary session – by notice published on **March 29, 2022** on the Company's website <https://www.falckrenewables.com/en/corporate-governance/shareholders-meetings#28-04-2022>) and on the authorized storage system "eMarket STORAGE" (available at www.emarketstorage.com), and for extract on the newspaper "MF/Milano Finanza" – at Company's offices in Milan (Italy), Corso Venezia 16, on **April, 28 2022 at 11 a.m.**, on single call (the "**Shareholders' Meeting**").

In particular, the **agenda** for the above Shareholders' Meeting is the following:

1. Annual financial Report at 31 December 2021: approval of the Financial Statements at 31 December 2021, together with the Board of Directors' Report on Operations, the Statutory Auditors' Report and the Legal Auditing Firms' Report: related and consequent resolutions. Presentation of the Consolidated Financial Statements at 31 December 2021.
2. Composition of the Board of Directors and other resolutions regarding the directors:
 - 2.1 appointment, pursuant to Article 2386, first paragraph, of the Italian Civil Code and Article 17 of the Company's Articles of Association, of 4 Directors. Related and consequent resolutions
 - 2.2 authorization of the work activities carried out, and of the offices held, by the Directors in companies outside the group. Related and consequent resolutions;
3. Annual report on the remuneration policy and compensation paid:
 - 3.1 approval of the "2022 Remuneration Policy" contained in Section I, pursuant to Article 123-*ter*, paragraph 3-*bis*, of Legislative Decree no.58/98;
 - 3.2 consultative vote on the "compensation paid in 2021" indicated in Section II, pursuant to Article 123-*ter*, paragraph 6, of Legislative Decree no.58/98.

This Report must be read together with the other separate reports on the proposals concerning the items on the agenda of the Shareholders' Meeting referred to in the text of this Report.

This Report is being filed today and made available to the public on the Company's website (<https://www.falckrenewables.com/en/corporate-governance/shareholders-meetings#28-04-2022>) and on the authorized storage system "eMarket STORAGE" (available at www.emarketstorage.com).

Milan, March 29, 2022

EXPLANATORY REPORT DRAWN UP IN ACCORDANCE WITH ART. 125-ter OF THE CONSOLIDATED FINANCIAL ACT, ON THE FIRST ITEM ON THE AGENDA OF THE ORDINARY SHAREHOLDERS' MEETING CONVENED ON 28 APRIL 2022

Item no. 1 on the agenda - Annual financial Report as at 31 December 2021: approval of the Financial Statements at 31 December 2021, together with the Board of Directors' Report on Operations, the Statutory Auditors' Report and the Legal Auditing Firms' Report: related and consequent resolutions. Presentation of the Consolidated Financial Statements at 31 December 2021.

To our Shareholders,

we submit the financial statements of Falck Renewables S.p.A. (the "**Company**") as at 31 December 2021 for your approval, as examined and approved by the Board of Directors of the Company in the meeting of 11 March 2022, which close with a loss of EUR 25,465,579.72.

Please note that any comments on the subject stated in sub-section 1.1 of the agenda of the Shareholders' Meeting are largely contained in the Annual Financial Report as at 31 December 2021 (including the draft Financial Statements and the Consolidated Financial Statements as at 31 December 2021, the Board of Directors' Report on Operations, the Reports of the Board of Statutory Auditors and the Independent Auditors, as well as the certification by the Manager responsible for preparing the company's financial reports pursuant to Art. 154-bis, par. 5 of the of the Consolidated Financial Act) made available to the public on the Company's website <https://www.falckrenewables.com/en/corporate-governance/shareholders-meetings#28-04-2022>, and on the authorised storage mechanism eMarket STORAGE (available at www.emarketstorage.com), together with the additional documents requested by the regulations in force.

Resolution Proposal

To our Shareholders,

In light of the above, the Board of Directors proposes that you carry forward the loss for the year of EUR 25,465,579.72 and therefore adopt the following resolution:

"The Shareholders' Meeting of Falck Renewables S.p.A.,

- *having taken note of what has been stated by the Board of Directors;*
- *having examined the draft financial statements of Falck Renewables S.p.A. as at 31 December 2021 which show a loss of EUR 25,465,579.72, and the Board of Directors' Report on operations;*
- *having taken note of the information contained in the report of the Board of Statutory Auditors and in the report of the Independent Auditors, as well as the consolidated financial statements as at 31 December 2021 and the certification referred to in Art. 154-bis, par. 5 of Italian Legislative Decree no. 5 of 24 February 1998*

RESOLVES

- (i) to approve the Financial Statements as at 31 December 2021, which closes with a loss of EUR 25,465,579.72 to be carried forward.*

Milan, March 29, 2022

For the Board of Directors
The Chairman – Olov Mikael Kramer

EXPLANATORY REPORT DRAWN UP IN ACCORDANCE WITH ART. 125-ter OF THE CONSOLIDATED FINANCIAL ACT, ON THE SECOND ITEM ON THE AGENDA OF THE ORDINARY SHAREHOLDERS' MEETING CONVENED ON 28 APRIL 2022

Item no. 2 on the agenda - Composition of the Board of Directors and other resolutions regarding the directors:

- 2.1 appointment, pursuant to Article 2386, first paragraph, of the Italian Civil Code and Article 17 of the Company's Articles of Association, of 4 Directors. Related and consequent resolutions;**
- 2.2 authorization of the work activities carried out, and of the offices held, by the Directors in companies outside the group. Related and consequent resolutions.**

Dear Shareholders,

You have been convened for a shareholders' meeting to be held in ordinary form in order to discuss and resolve, among other things, upon the appointment of four members of the Board of Directors of Falck Renewables S.p.A. (the "**Company**"), pursuant to Article 2386, paragraph 1, of the Italian Civil Code and Article 17 of the Articles of Association of the Company, and the authorization of any work activities carried out, and any offices held, by the incumbent directors of the Company in companies not belonging to the Company's group.

Item no. 2.1 on the agenda - Appointment pursuant to Article 2386, first paragraph, of the Italian Civil Code and Article 17 of the Company's Articles of Association, of 4 Directors. Related and consequent resolutions

On February 24, 2022, following the resignation of Mr. Enrico Falck, former executive Chairman of the Board of Directors and member and Chairman of the Sustainable Strategy Committee, as well as of Mr. Guido Corbetta, former Vice-Chairman of the Board of Directors, and Mr. Federico Falck and Mr. Filippo Marchi, former non-executive and non-independent directors of the Company, from the office as directors of the Company, effective immediately, the Board of Directors appointed by way of "co-optation", pursuant to Article 2386, paragraph 1, of the Italian Civil Code and Article 17 of the Articles of Association of the Company, with the approval of the Board of Statutory Auditors, Mr. Olov Mikael Kramer, Mr. John Hoskins Foster, Mr. Mark Alan Walters and Ms. Sneha Sinha as new directors of the Company. The Board of Directors also appointed (i) the director Olov Mikael Kramer as new executive Chairman of the Board of Directors and as member and Chairman of the Sustainable Strategy Committee, and (ii) the director John Hoskins Foster as Vice-Chairman of the Board of Directors.

The above appointment was made in compliance with the provisions of applicable laws and regulations and of the Articles of Association of the Company concerning the requirements of directors and the composition of the Board of Directors. In particular, the Board of Directors ascertained that Mr. Olov Mikael Kramer, Mr. John Hoskins Foster, Mr. Mark Alan Walters and Ms. Sneha Sinha met the requirements set out by the law and other applicable provisions for the office as directors of the Company, including any professionalism and honorableness requirements, and

that there were no grounds for ineligibility, revocation or incompatibility to hold the office as director of the Company in respect of the above individuals.

As provided for by Article 2386 of the Italian Civil Code, the directors appointed by way of “co-optation” will remain in office until the first available shareholders’ meeting and, therefore, in the case at hand, until the ordinary shareholders’ meeting convened on April 28, 2022, which is therefore required to resolve on this matter.

In light of the above, the Board of Directors hereby submits a proposal to the shareholders’ meeting to: (i) appoint four new directors of the Company, in order to integrate the composition of the Board of Directors until it reaches the number of twelve members, as resolved upon by the shareholders’ meeting of the Company held on May 7, 2020; and (ii) confirm the appointment of Mr. Olov Mikael Kramer, Mr. John Hoskins Foster, Mr. Mark Alan Walters and Ms. Sneha Sinha as directors of the Company, until the expiry of the term of office of the other members of the Board of Directors and, therefore, until the shareholders’ meeting convened to resolve upon the approval of the financial statements as at December 31, 2022.

The remuneration to be granted to the four new directors for the offices to be held in the Company will be such that the overall remuneration of the Board of Directors will not exceed the maximum overall gross amount granted to the Board of Directors of the Company by shareholders at the shareholders’ meeting held on May 7, 2020.

The *curricula vitae* of Mr. Olov Mikael Kramer, Mr. John Hoskins Foster, Mr. Mark Alan Walters and Ms. Sneha Sinha, as well as the statements made by the same to the effect that: (i) they are willing to accept the office; (ii) there are no grounds for ineligibility, revocation or incompatibility to hold the office as director of the Company; (iii) they meet the requirements imposed by applicable law and regulations for the appointment as director, including the professionalism and honorableness requirements under Articles 147-*quinquies* and 148, paragraph 4, of Legislative Decree No. 58 of February 24, 1998 and Article 2 of Ministerial Decree No. 162 of March 30, 2000; and (iv) no disqualification from the office as director was issued against them in the European Union, will be made available at the Company’s registered office and website at <https://www.falckrenewables.com/en/corporate-governance/shareholders-meetings#28-04-2022>) promptly in advance.

It is hereby noted that, since the appointment of the four new directors is required to integrate the Board of Directors pursuant to Article 2386, paragraph 1, of the Italian Civil Code and Article 17 of the Articles of Association of the Company, the shareholders’ meeting will resolve with the majority required by law, without application of slate voting provisions. No specific procedures are laid down for the submission of candidacies; nevertheless, the Board of Directors recommends that shareholders who intend to submit a candidacy announce it to the Company appropriately in advance for it to be published, if possible, prior to the date of the shareholders’ meeting. Moreover, in the case of candidacies other than the proposed confirmation of the co-opted directors, it is also recommended to attach the appropriate documentation for each single candidate, similar to the documentation required for the submission of slates for the appointment of the Board of Directors. Proposals received in such manner will be promptly disclosed to the public.

Item no. 2.2 on the agenda - Authorization of the work activities carried out, and of the offices held, by the Directors in companies outside the group. Related and consequent resolutions.

Mr. Olov Mikael Kramer, Mr. John Hoskins Foster and Mr. Mark Alan Walters, appointed as directors of the Company by way of "co-optation" at the Board of Directors meeting held on February 24, 2022, and whose confirmation as directors of the Company is hereby proposed to the shareholders' meeting, as mentioned under item 2.1 above, informed the Company that they currently hold offices and/or carry out work activities in some companies not belonging to the Company's group.

In particular, reference is made to the following offices and/or work activities:

- as to Mr. Olov Mikael Kramer, the offices as executive Chairman held by the latter in Calefactio Investments HoldCo AB, Calefactio Investments AB and Sisu IES OY, as well as independent non-executive director held in Ventient Energy S.à r.l.;
- as to Mr. John Hoskins Foster, the office as executive Chairman held by the latter in Onward Energy;
- as to Mr. Mark Alan Walters, the offices as non-executive directors held by the latter in Värmevärden and Adven.

Based on the information available, there are material elements supporting the conclusion that the work activities currently carried out, and the offices currently held, as better specified above, by Mr. Olov Mikael Kramer, Mr. John Hoskins Foster and Mr. Mark Alan Walters in the aforesaid companies outside the Company's group cannot be detrimental to the Company and its group, and that any such non-group companies cannot be considered as carrying out business or operational activities (whether ordinary or extraordinary) in concrete and actual competition with the Company and its group. Conversely, the Board of Directors maintains that the external activities or offices carried out or held, as the case may be, by Mr. Olov Mikael Kramer, Mr. John Hoskins Foster and Mr. Mark Alan Walters in the aforesaid non-group companies actually contribute to enhancing such individuals' expertise and in-depth knowledge of the business sector in which the Company operates and, therefore, could result in significant advantages for the Company and its group.

However, in order to ensure the utmost information transparency and full disclosure towards shareholders, who are entitled to assess the Company's interest in respect of the activities carried out, or the offices held, by the Company's directors in companies not belonging to the Company's group, the Board of Directors hereby submits a proposal to the shareholders' meeting to discuss and resolve, should Mr. Olov Mikael Kramer, Mr. John Hoskins Foster and Mr. Mark Alan Walters be confirmed as directors of the Company as per item 2.1 above, upon the authorization of any external work activities currently carried out, or any offices currently held, by the aforesaid individuals in the companies referred to above, also, insofar as applicable, pursuant to Article 2390 of the Italian Civil Code and Article 18 of the Articles of Association of the Company.

For the sake of completeness, it is also noted that the proposed authorization will not exempt Mr. Olov Mikael Kramer, Mr. John Hoskins Foster and Mr. Mark Alan Walters, should any such individuals be confirmed as directors of the Company, from complying with the provisions of Article 2391 of the Italian Civil Code, nor from the duty to pursue the Company's interest.

Resolution Proposal

To our Shareholders,

In light of the above, the Board of Directors submits the following resolutions to you:

On item no. 2.1 on the agenda

“The Shareholders’ Meeting of Falck Renewables S.p.A.,

- *having examined the explanatory report prepared by the Board of Directors pursuant to Article 125-ter of Legislative Decree No. 58 of February 24, 1998;*
- *having acknowledged that Mr. Olov Mikael Kramer, Mr. John Hoskins Foster, Mr. Mark Alan Walters and Ms. Sneha Sinha have today ceased to hold the office as directors, having been appointed by way of “co-optation” at the Board of Directors meeting held on February 24, 2022 to replace the resigning directors Mr. Enrico Falck, Mr. Federico Falck, Mr. Filippo Marchi and Mr. Guido Corbetta, pursuant to Article 2386 of the Italian Civil Code and Article 17 of the Articles of Association of the Company; and*
- *having acknowledged the proposal of the Board of Directors to confirm Mr. Olov Mikael Kramer, Mr. John Hoskins Foster, Mr. Mark Alan Walters and Ms. Sneha Sinha as directors of the Company and the other candidacies submitted,*

RESOLVES

1. *to integrate the composition of the Board of Directors up to the number of twelve members, as resolved upon by the shareholders’ meeting of the Company held on May 7, 2020, and to appoint as members of the Board of Directors of the Company, pursuant to Article 2386, paragraph 1, of the Italian Civil Code and Article 17 of the Articles of Association of the Company, until the shareholders’ meeting called to resolve upon the approval of the financial statements as at December 31, 2022:*
 - a) *Mr. **Olov Mikael Kramer**, born in Langsele (Sweden), on June 25, 1953, Swedish citizen, Italian fiscal code KRMLMK53H25Z132B, domiciled for the purposes of his office at the registered office of the Company;*
 - b) *Mr. **John Hoskins Foster**, born in Nashville, Tennessee (USA), on October 9, 1957, American citizen, Italian fiscal code FSTJNH57R09Z404R, domiciled for the purposes of his office at the registered office of the Company;*
 - c) *Mr. **Mark Alan Walters**, born in St. Asaph (UK), on June 20, 1979, British citizen, Italian fiscal code WLTMKL79H20Z114X, domiciled for the purposes of his office at the registered office of the Company;*
 - d) *Ms. **Sneha Sinha**, born in Patna (India), on October 03, 1989, British citizen, Italian fiscal code SNHSNH89R43Z222P, domiciled for the purposes of her office at the registered office of the Company;*
2. *to confirm that the remuneration to be granted to Mr. Olov Mikael Kramer, Mr. John Hoskins Foster, Mr. Mark Alan Walters and Ms. Sneha Sinha for the offices held in the Company will be such that the overall remuneration of the Board of Directors will not exceed the maximum overall*

gross amount granted to the Board of Directors of the Company by shareholders at the shareholders' meeting of the Company held on May 7, 2020."

On item no. 2.2 on the agenda

"The Shareholders' Meeting of Falck Renewables S.p.A.,

- having examined the explanatory report prepared by the Board of Directors pursuant to Article 125-ter of Legislative Decree No. 58 of February 24, 1998; and*
- having acknowledged the proposal of the Board of Directors to authorize any external work activities currently carried out, or any offices currently held, by Mr. Olov Mikael Kramer, Mr. John Hoskins Foster and Mr. Mark Alan Walters in non-group companies,*

RESOLVES

to confirm and authorize any work activities currently carried out, and any offices currently held, by Mr. Olov Mikael Kramer, Mr. John Hoskins Foster and Mr. Mark Alan Walters in companies not belonging to the Company's group, as specified in the explanatory report prepared by the Board of Directors on the second item on the agenda of today's shareholders' meeting pursuant to Article 125-ter of Legislative Decree No. 58 of February 24, 1998, also, insofar as necessary, pursuant to Article 2390 of the Italian Civil Code and Article 18 of the Articles of Association of the Company."

Milan, March 29, 2022

For the Board of Directors
The Chairman – Olov Mikael Kramer

EXPLANATORY REPORT DRAWN UP IN ACCORDANCE WITH ART. 125-ter OF THE CONSOLIDATED FINANCIAL ACT, ON THE THIRD ITEM ON THE AGENDA OF THE ORDINARY SHAREHOLDERS' MEETING CONVENED ON 28 APRIL 2022

Item 3 on the agenda - Annual report on the remuneration policy and the compensation paid:

- 3.1 Approval of the "2022 Remuneration Policy" contained in Section I, pursuant to Article 123-ter, paragraph 3-bis, of Legislative Decree no.58/98;**
- 3.2 consultative vote on the "compensation paid in 2021" indicated in Section II, pursuant to Article 123-ter, paragraph 6, of Legislative Decree no.58/98.**

To our Shareholders,

In relation to the second item on the agenda of the Shareholders' Meeting, pursuant to Article 123-ter of the Consolidated Financial Act, you are called upon to express your opinion on Falck Renewables S.p.A.'s "*Annual Report on the remuneration policy and the compensation paid*" (the "**Remuneration Report**" or "**Report**") with regard to:

- the policy on the remuneration of the members of the administrative and control bodies, general managers and executives with strategic responsibilities (the "**Relevant Persons**") proposed by the Board of Directors for the year 2022 and the procedures used for the adoption and implementation of this policy (the "**2022 Remuneration Policy**"); as well as
- the compensation paid to the Relevant Persons in the year 2021.

We would like to remind you that the Remuneration Report is divided into two separate sections:

- **Section I**, which describes the Remuneration Policy and the procedures used for its adoption and implementation; as every year, this section also contains information on the remuneration of directors and the Remuneration Committee relating to the recommendations dictated by the Corporate Governance Code for listed companies to which Falck Renewables adheres;
- **Section II** (arranged into two parts), which contains, in the First Part, a representation of the compensation paid by the Company to Relevant Persons with reference to each of the items that make up the remuneration for the year 2021 of such persons; and, in the Second Part, details of the compensation paid or accrued in 2021 in favor of the Relevant Persons, for whatever reason and in whatever form, by the Company and its subsidiaries and associates, using the tables attached to the Remuneration Report, which form an integral part of it, as well as information on the equity investments held in the Company and its subsidiaries by the same Relevant Persons, as well as by their spouses who are not legally separated or their children, either directly or through subsidiaries, trust companies or third parties.

Pursuant to Article 123-ter of the Consolidated Financial Act the vote to be cast by the Shareholders' Meeting on the Remuneration Policy for the year 2022 contained in Section I of the Remuneration Report, is a binding vote, while the vote to be cast by the Shareholders' Meeting on the remuneration paid in 2021 to Relevant Persons, as stated in Section II of the Report, is an advisory vote.

It should be noted that the Report - and, therefore, the 2022 Remuneration Policy and the compensation paid to Relevant Persons in 2021 as stated in Section I and Section II of the Report, respectively - was approved by the Board of Directors at the meeting held on 22 March 2022, on the

proposal of the Remuneration Committee, in compliance with current legislation, including regulatory legislation, and is available to the public on the Company's website <https://www.falckrenewables.com/en/corporate-governance/shareholders-meetings#28-04-2022>, and on the authorized storage mechanism eMarket STORAGE (available at www.emarketstorage.com)

For further details, reference should be made to the text of the aforesaid Report, the contents of which have also been defined in compliance with the provisions of Art. 84 -*quater* of the Issuers' Regulations and in consideration of the related Attachments 3A, Schedule 7-*bis* and Schedule 7-*ter*.

Resolution Proposal

To our Shareholders,
In light of the above, the Board of Directors submits the following resolutions to you:

On item no.3.1 on the agenda

"The Shareholders' Meeting of Falck Renewables S.p.A.,

- having examined Section I of Falck Renewables S.p.A.'s "Annual Report on the Remuneration Policy and the Compensation paid" of March 22, 2022 prepared in accordance with current laws and regulations*

RESOLVES

to approve the "Remuneration Policy for the year 2022" contained in Section I of the aforesaid Report and the related adoption and implementation procedures".

On item no.3.2 on the agenda

"The Shareholders' Meeting of Falck Renewables S.p.A.,

- having examined Section II of Falck Renewables S.p.A.'s "Annual Report on the Remuneration Policy and the Compensation paid" of March 22, 2022 prepared in accordance with current laws and regulations*

RESOLVES

to express a favorable opinion on the "Compensation paid in 2021" as stated in Section II of the aforesaid Report".

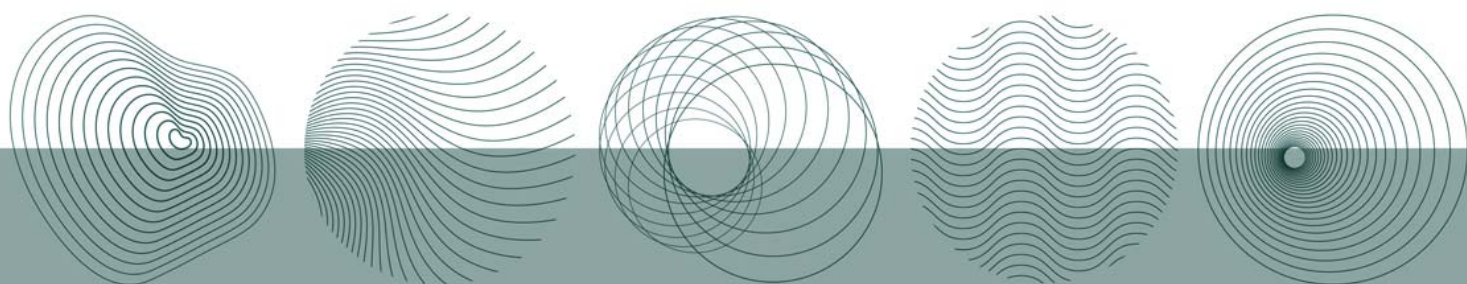
Milan, March 29, 2022

For the Board of Directors
The Chairman – Olov Mikael Kramer



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