



TISCALI S.p.A.

Loc. Sa Illetta SS 195, Km 2.300 – 09123 Cagliari (CA)

Tax Code and VAT no. 02375280928

LEI No. 815600DDD271CA046266

Share capital Euro 72,655,159.37, fully paid-in

***ILLUSTRATIVE REPORT OF THE BOARD OF DIRECTORS ON THE PROPOSALS ON  
THE AGENDA OF THE ORDINARY SHAREHOLDERS 'MEETING OF 16 MAY 2022,  
PREPARED IN ACCORDANCE WITH ARTICLE 125-TER OF THE LEGISLATIVE  
DECREE 58/1998***

**Cagliari, April 6 2022**

Dear Shareholders,

this document was prepared by the Board of Directors of Tiscali S.p.A. ("Tiscali" or the "Company"), in compliance with current legislation, in relation to the Shareholders' Meeting of Tiscali called in ordinary and extraordinary meeting in single call for May 16, 2022 at 12 noon, to discuss and resolve on the following:

***ORDINARY PART***

*1. Financial statements at 31 December 2021*

*to. Approval of the financial statements*

*b. Loss for the year.*

*2. Report on the remuneration policy and on the remuneration paid*

*to. Binding resolution on the first section (remuneration policy 2022)*

*b. Non-binding resolution on the second section (fees 2021).*

*3. Appointment of the Board of Directors*

*to. Determination of the number of members of the Board of Directors;*

*b. Determination of the term of office of the Board of Directors;*

*c. Appointment of the members of the Board of Directors;*

*d. Determination of the remuneration of the members of the Board of Directors.*

***EXTRAORDINARY PART***

*1. Issue of a convertible and converting bond loan reserved for Nice & Green S.A. for an amount equal to Euro 90 million to be issued in several tranches pursuant to art. 2420-bis of the cod. civ. and consequent capital increase against payment and in divisible way, in one or more times, with the exclusion of the option right pursuant to art. 2441, c. 5, of the Italian Civil Code, reserved to Nice & Green S.A., to service the conversion of the aforementioned loan. Consequent amendment of art. 5 of the Articles of Association, inherent and consequent resolutions.*

Pursuant to and for the purposes of art. 125-ter of Legislative Decree 58/1998, we submit this report for your attention with reference to points 1, 2, 3 on the agenda. The proposal relating to item 4 on the agenda will be made public in accordance with the law.

\* \* \*

**1. Approval of the financial statements as at 31 December 2021. Related and consequent resolutions**

Dear Shareholders,

copy of the draft financial statements of Tiscali S.p.A. (the "Company") as of December 31, 2021, approved by the Board of Directors at the meeting of April 5, 2022 and accompanied by the reports of the Directors, Statutory Auditors and the auditing company, will be filed, in compliance with current legislation, with the registered office and Consob and will be available on the Company's website <https://www.tiscali.com/assieme-azionisti/> within the terms of the law.

For an illustration of the draft financial statements, please refer, in particular, to the Directors' Management Report.

**The final figure of the Company's draft financial statements as at 31 December 2021 records a loss for the period equal to Euro 301,026.32.** We propose to approve the financial statements as a whole and in the individual entries and we propose to adopt a resolution in line with the following proposal:

**Proposal 1: Approval of the Financial Statements documentation**

*The Shareholders' Meeting of Tiscali S.p.A,*

- *Having examined the annual financial report of Tiscali S.p.A;*
- *Having acknowledged the reports of the Board of Statutory Auditors and of the auditing firm Deloitte S.p.A;*

*resolves*

- *To approve the 2021 financial statements of Tiscali S.p.A. as a whole and the individual items, as prepared by the Board of Directors, whose management is fully approved.*

Proposal 2: allocation of the loss for the year

*The Shareholders' Meeting of Tiscali S.p.A.,*

- *having seen the 2021 financial statements of Tiscali S.p.A. and the operating loss recorded;*
- *taking into account the extent of the legal reserve;*

*deliberates*

- *to carry forward the loss for the year equal to Euro 301,026.32, granting the Chief Executive Officer every broader power, so that, also by means of attorneys, he executes this resolution, as well as making additions, where appropriate or necessary, formal changes and cancellations requested by the competent authorities.*

## **2. Report on remuneration policy and remuneration paid**

- **Binding resolution on the first section (2022 remuneration policy)**
- **Non-binding resolution on the second section (2021 remuneration)**

Dear Shareholders,

In view of the Shareholders' Meeting of May 16 2022, the report on remuneration policy and compensation paid was prepared.

The document is divided into two sections:

- The first illustrates the Company's policy on the remuneration of Directors, Statutory Auditors and key management personnel with reference to the financial year 2022, and is subject to binding resolution by the Shareholders' Meeting;
- The second illustrates the items that make up the remuneration of the aforementioned persons, with an illustration of the remuneration paid to them in the 2021 financial year, and is subject to a non-binding resolution of the Shareholders' Meeting, in favour or against it.

In view of the above, you are called upon to express your views separately on the first and

second sections of the report, as described above, and the Board of Directors therefore submits the following proposals for your approval:

*Proposal 1: Approval of the first section of the report on remuneration policy and compensation paid*

*The Shareholders' Meeting of Tiscali S.p.A., having regard to the applicable regulations concerning the report on remuneration policy and compensation paid,*

*resolves*

- To approve the first section of the report on the remuneration policy and the remuneration paid by the Company.*

*Proposal 2: Non-binding vote on the second section of the report on remuneration policy and compensation paid*

*The Shareholders' Meeting of Tiscali S.p.A., having regard to the applicable regulations concerning the report on remuneration policy and compensation paid,*

*resolves*

- in favour of the second section of the report on the remuneration policy and the remuneration paid by the Company in the financial year 2021.*

**3. Appointment of the Board of Directors, its Chairman and determination of remuneration.**

Dear Shareholders,

as known, the mandate of the current Board of Directors expires with the approval of the financial statements at 31 December 2021. Therefore, in the meeting called, the Shareholders' Meeting will be called to appoint the Board of Directors.

Pursuant to art. 11 of the Articles of Association, the appointment of the Board of Directors takes place on the basis of lists of candidates, which will be filed at the Company's registered office, also by certified email, at the [Ufficiolegale.tiscali@legalmail.it](mailto:Ufficiolegale.tiscali@legalmail.it) address, by 21 April 2022.

Shareholders who, alone or together with others, at the time of submission of the lists, have the right to present lists of candidates of a share representing at least 4.5% (four point five percent) of the share capital with right to vote in the ordinary shareholders' meeting. This shareholding must result from the specific communications produced by the authorized intermediary which must reach the Company, if not available on the day on which the lists are filed, by April 25, 2022, to the certified electronic mail address [tiscali@pecserviziotitoli.it](mailto:tiscali@pecserviziotitoli.it) . There are no procedures for voting by correspondence or by electronic means.

Each list may contain names up to a maximum of 9 (nine) Directors, listed by means of a progressive number.

The lists will be made available to the public on the website [www.tiscali.com](http://www.tiscali.com), as well as in the manner prescribed by the regulations in force, by the Company without delay and in any case at least 21 (twenty-one) days before the date set for the Shareholders' Meeting, i.e. by 25 April 2022.

With regard to the election of the Board of Directors, please refer to the provisions of art. 11 of the Articles of Association, which provides:

*“The Board of Directors takes steps to appoint a Chairman and possibly a Deputy Chairman, choosing them from amongst its members, if the shareholders’ meeting has not already done so. The Directors remain in office for a maximum period of three financial years, their term or office shall expire on the date of the Shareholders’ Meeting called for approving the financial statements related to the last financial year of their term in office and they may be re-appointed. Before the appointment of the Board of Directors, the Share-holders’ Meeting establishes the number of the members and the duration of their offices, which may be shorter than three financial years.*

*The Directors are appointed by the meeting on the basis of lists presented by the shareholders. Each list may contain the names of the candidates up to a maximum number of Directors provided by these Articles of Association listed by means of consecutive number.*

*Shareholders entitled to present lists shall be those who, alone or together with other shareholders, own, at the time of presentation of the lists, a shareholding at least equal to that*

*established by CONSOB pursuant to article 147-ter, para-graph 1 of the Consolidated Law of Finance as subsequently amended, and pursuant to the further provisions of applicable legislation, as it will be indicated in the call notice.*

*Each shareholder may in any case present (or concur in pre-senting) and vote a single list (specifying that, for the pur-poses of the present article, the term “shareholder” jointly means the shareholder him/herself and the natural and legal persons who control, are controlled by or otherwise are sub-ject to common control with the shareholder in question), also through a third party or through trust companies. Any support granted and votes cast in violation of this prohibition shall not be attributable to any list.*

*Each candidate may be present in only one list or be subject to ineligibility.*

*The lists presented by the shareholders must be deposited, as will also be indicated in the notice of calling, at the Compa-ny’s registered offices by the twenty-fifth day prior to the date of the meeting called to resolve on the appointment of the Board members.*

*Each list must be accompanied by the information required by applicable legislation and indicate the identity of the share-holders who have presented the same and the total investment percentage owned. In-depth information on the personal and professional characteristics of the candidates must be provid-ed at the bottom of the list presented by the shareholders, or attached to the same. The declarations by means of which the individual candidates accept their candidature and declare, at their own liability, the inexistence of causes of ineligibil-ity or incompatibility as well as the existence of the requi-sites of good standing and professionalism prescribed for the office by applicable legislation and the Articles of Associa-tion, and any possession of the independence requisites estab-lished by current legislation, must be filed together with each list.*

*Each list must indicate a number of candidates who present the independence requisites established by applicable legislation in accordance therewith.*

*Each list must present a number of candidates belonging to the gender represented the least equal to the minimum number re-quired by current legislation.*

*Lists presented without observing the above instructions, shall be considered as not presented.*

*The election of Directors proceeds as follows:*

*a.1) following the outcome of the voting procedure, the votes obtained by each list will be subsequently divided by one, two, three, four and so on until the number of the Directors to be elected is reached. The ratios so obtained will be granted progressively to the candidates of each list in the order in which they appear in the list itself.*

*Candidates, listed in a decreasing order on the basis of the ratios obtained, who have obtained the highest ratios, will be elected, it being in any case understood that the candidate at the top of the minority list will be appointed director, name-ly the list that obtained the majority of votes from among those duly submitted and voted for and which is not connected - even indirectly - with the members who submitted or voted for the list that came first by number of votes.*

*If an individual who on the basis of the regulations in force turns out to be linked to one or more shareholders who have submitted or voted for the list which comes first by number of votes, has voted for a minority list, the existence of this link becomes important only if the vote has been decisive in the election of the Director from the minority lists. In each case the legislation and regulations at the time in force shall apply.*

*In case of equality of ratios for the last Director to be elected, the one from the list which has obtained the majority of the votes or the eldest, in case of a tie vote, will be chosen. If, at the end of the voting procedure, Directors, meeting the independence requirements or meeting the gender balance requirements are not elected in sufficient numbers, the candidate elected with the lowest ratio who does not meet the independence requirements or the candidate with the lowest ratio whose election would result in a gender imbalance, shall respectively be excluded in the first and second case. The ex-cluded candidates shall be replaced by the next candidates in the ranking, whose election would meet the provisions related to the independence requirements and the gender balance re-quirements. This procedure shall be repeated until the number of Directors to be elected is reached. In the event that, hav-ing adopted the criteria set out above, it is not possible to reach the number of Directors to be appointed, the Shareholders' Meeting shall appoint the missing Directors immediately by way of a resolution adopted by*



*simple majority upon recommendation of the members in attendance.*

*a.2) If only one list is presented, all the directors shall be chosen, in numerical order, only from the submitted list, provided that it obtains a majority of the votes. If, after following the above procedure, not enough Directors are appointed who meet the independence requirements, or satisfy the gender balance criteria, the Shareholders' Meeting shall proceed, in the first case, to exclude the candidate elected with the lowest ratio who does not meet the independence requirements and, in the second case, to exclude the candidate with the lowest ratio whose election would result in a failure to meet the gender balance criteria; after the above exclusions, the Meeting shall forthwith appoint the missing Directors by simple majority resolution upon recommendation of the members in attendance.*

*b) if, as per the aforementioned appointment procedure, at least two members in possession of the independence requisites established by applicable legislation are not elected, the last of those elected taken from the list which has obtained the highest number of votes expressed by the shareholders after the first and which is not connected in any way, not even indirectly, with the shareholders who have presented or voted for this latter list shall have to be replaced by the first candidate listed subsequently on this list who has these requisites and, if following this replacement a member in possession of the independence requisites established by the applicable legislation still has to be elected, the last of those elected not in possession of these requisites taken from the list which has obtained the highest number of votes shall have to be replaced by the first candidate listed subsequently on this list who has these requisites;*

*c) if the Board of Directors elected as above does not permit the observance of the balance between genders envisaged by current legislation, the last members elected of the more represented gender, of the first list by number of votes cast by the shareholders, fall from office in the number necessary to ensure the observance of the requirement and are replaced by the first candidates not elected on the same list of the gender represented the least. In the absence of candidates of the less represented gender on the first list by number of votes cast by shareholders in a number sufficient to go ahead with replacement, the aforementioned criteria will apply to the successive lists progressively voted for the most from which the elected*

*candidates have been taken. If, applying the above criteria, it is not however possible to identify suitable re-placements, the shareholders' meeting supplements the body with the legal majorities, ensuring the satisfaction of the requirement of the balance between genders envisaged by current legislation;*

*d) the list voting appointment method envisaged above is applied in the sole case of complete renewal of the Directors; with regard to the appointment of Directors not appointed for any reason in accordance with the above procedure, the shareholders' meeting resolves with the legal majority in observance of the legislative requirements regarding gender representation; this requisite also applies to co-opting carried out by the same Board of Directors as per applicable legislation.*

*If, due to resignation or for other reasons, more than half of the Directors appointed by the Shareholders' meeting fall from office, the entire Board shall be understood to have fallen and the shareholders' meeting must be called immediately to re-appoint all the Directors pursuant to the voting list system provided for by this article. The Directors who remain in office may in the meantime perform the activities in the ordinary course of business.”*

Given the above, we invite you to submit candidacies for the office of Director, in accordance with the aforementioned statutory regulations and applicable legislation and, on the basis of the proposed candidacies, to proceed to the vote for the election of the Directors. We propose to adopt a resolution articulated according to the following point:

- to. Determination of the number of members of the Board of Directors;
- b. Determination of the term of office of the Board of Directors;
- c. Appointment of the members of the Board of Directors;
- d. Determination of the remuneration of the members of the Board of Directors.

\* \* \*

Dear Shareholders,

in postponing the illustration of item 4 on the agenda to the documentation that will be made public in accordance with the law, we invite you to submit the candidacies for the positions of Statutory Auditor of your Company and, in any case, to pronounce on the proposals illustrated

above.

Cagliari, April 6 2022

**Tiscali S.p.A.**

For the Board of Directors

Alberto Trondoli

Chairman