



**ORDINARY SHAREHOLDERS' MEETING**  
**convened for 29 April 2021, in a single call**

*Explanatory report*  
*as per art. 125-ter of Legislative Decree 58/1998*



## **Point 2 of the items on the agenda**

### ***Integration of the Board of Internal Auditors:***

***2.1 appointment of a Statutory member;***

***2.2 appointment of a substitute member***

***2.3 Appointment of the Chairman of the Board of Internal Auditors.***

Dear Shareholders,

On 24 November 2020, with effect from 1 January 2021, the Chairman of the Board of Internal Auditors, dott. Paolo Ludovici, and the Substitute Auditor, dott. Michele Aprile, resigned from their respective positions in the Company. Therefore, as of 1 January 2021, in accordance with the law and the by-laws, the Substitute Auditor, dott. Sergio Zamberlan, took over as Statutory Auditor and the role of Chairman of the Board of Internal Auditors of the Company was taken by dott. Manfredo Turchetti, as the eldest Internal Statutory Auditor ("**Replacing Auditors**").

Pursuant to art. 2401 Civil Code, the Replacing Auditors are to remain in office until the next useful Shareholders' Meeting, at which the Statutory and Substitute Auditors necessary to complete the Board are to be appointed, in compliance with art. 2397, paragraph 2, of the Italian Civil Code. This article provides that at least one internal statutory auditor and one internal substitute auditor must be chosen from the list of registered statutory auditors. In this respect, all the current members of the Board of Statutory Auditors are registered auditors.

Furthermore, the Internal Auditors must meet the legal requirements applicable from time to time for the office and, therefore, must meet the bars of eligibility, respectability, professionalism and independence, as well as conforming with the limits of the number of offices held, as provided by the current law and regulations applicable to listed companies.

Pursuant to art. 22 of the current By-Laws ("**By-Laws**"), the Board of Internal Auditors is composed of 3 Statutory Auditors and 2 Substitute Auditors, who are to remain in office for 3 financial years, until the date of the Shareholders' Meeting called to approve the financial statements relative to their third financial year of office. They may be re-elected.

In order to fill the vacancy of the Board of Internal Auditors, it is therefore necessary to appoint a Statutory Auditor, a Substitute Auditor and the Chairman of the Board of Internal Auditors. The Statutory Auditors thus appointed will remain in office until the expiry of the term of office of the current Board of Internal Auditors, i.e. until the date of the Ordinary Shareholders' Meeting called to approve the financial statements for the year ending as at 31 December 2022.

Given that the current Board of Internal Auditors was appointed before the company was listed and prior to the By-laws being approved, it was appointed without applying the slate voting system procedure. As the Shareholders will only have to pass a resolution in relation to filling just the vacancies on the Board of Internal Auditors and not the entire corporate body, also in light of the



provisions of art. 23.8(2) of the By-Laws, the replacements are not to be carried out using the slate voting system, *“but by resolution to be taken by a majority of the votes represented at the Shareholders’ Meeting, respecting, where possible, the representation of minorities”*. Therefore, in compliance with the regulations in force, and art. 23.8 of the By-Laws, the resolutions to be passed at the Ordinary Shareholders’ Meeting subject of this Explanatory Report are to be passed with the majorities required by law.

Also with the aim of trying to protect, as far as possible, the rights of minority shareholders, the Board of Directors expressly invites all shareholders, including those who do not reach the minimum share capital for voting rights established by Consob, to submit the name of nominees, in compliance with the requirements of the law and the By-Laws. Nominee proposals must be sent no later than 13 April 2021, by way of certified email to [sicitgroup@pec.it](mailto:sicitgroup@pec.it), and must be accompanied by (i) the curriculum vitae of the nominee; (ii) documentation certifying that they meet the legal requirements for assuming the office and that there are no causes of ineligibility or incompatibility; (iii) declarations of acceptance of the nomination and of the office, and (iv) the list of directorships and audit appointments held by the nominee in other companies. The nominations will be published without delay on the Company's website [www.sicitgroup.com](http://www.sicitgroup.com) in the section *“Corporate Governance / Shareholders’ Meetings”* so that those entitled to vote can express themselves in an informed manner, taking into account all nominations and the relevant information.

Chiampo (VI), 12 March 2021

For the Board of Directors  
The Chair  
Giuseppe Valter Peretti