

**Directors' Explanatory Report  
on the items on the agenda  
of the Ordinary Shareholders' Meeting**

**convened for 20 April 2023 (first call) and, if necessary, 21 April  
2023 (second call)**

Servizi Italia S.p.A.

Registered Office Via S. Pietro, 59/b - 43019 Castellina di Soragna (PR)

Fully paid-up share capital Euro 31,809,451.00

Tax code and registration number with the Companies Register of Parma 08531760158

[www.servizitaliagroup.com](http://www.servizitaliagroup.com)

Dear Shareholders,

The Board of Directors of Servizi Italia S.p.A. (the "**Company**") hereby submits to you this Report drafted in accordance with Article 125-ter, paragraph 1 of Italian Legislative Decree No. 58/1998, as amended ("**CFA**"), Articles 73 and 84-ter of the Regulations adopted by CONSOB through Resolution No. 11971/99, as amended ("**Issuer Regulations**"), and in compliance with the provisions of Annex 3A, Schedule 4 of the Issuer Regulations, to provide information on 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 2023 at 10:30 a.m. for the first call and, if necessary, the second call will be on 21 April 2023, 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 2022; Board of Directors' management report; Board of Statutory Auditors' Report and Independent Auditors' Report; allocation of the profit for the year; related and contingent resolutions; presentation of the consolidated financial statements as at 31 December 2022.**
  - 1.1. approval of the separate financial statements as at 31 December 2022 and of the Director's Report on Operations of the Board of Directors.
  - 1.2. allocation of the profit (loss) 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 2022", including the draft separate financial statements and the consolidated financial statements as at 31 December 2022, the Management Report of the Directors, the certification pursuant to Article 154-bis paragraph 5 of the CFA, the Reports of the Independent Auditors and the Board of Statutory Auditors and the consolidated non-financial statement pursuant to Legislative Decree No. 254/16, 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 30 March 2023, at the registered office, in the authorised storage mechanism eMarket Storage at the address [www.emarkestorage.com](http://www.emarkestorage.com) and on the Company's website [www.servizitaliagroup.com](http://www.servizitaliagroup.com) ( *Corporate Governance* >Shareholders' Meeting>2023). 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 CFA, 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 30 March 2023, 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>2023 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 2021-2023 financial years 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 providing information on the remuneration paid in the 2022 financial year.

*It should also be noted that, pursuant to the applicable Article 123-ter of the CFA (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 2021-2023 financial years, 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-quarter 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:

**Authorisation to purchase and to dispose of treasury shares and to execute all related transactions; resolutions pertaining thereto and resulting therefrom:**

Dear Shareholders,

We deem it useful at the time of the Shareholders' Meeting called for 20 April 2023 to submit for your approval a new authorisation for the purchase and disposal by the Company of treasury shares for a period of 18 months starting from the date of the relevant resolution.

Below are the reasons, methods and terms for the Authorisation to purchase and dispose of treasury shares.

1) Reasons for requesting Authorisation to purchase and dispose of treasury shares

The Authorisation to purchase and dispose of treasury shares, is requested in order to meet strategic and operational flexibility requirements, that allows for the following:

- providing the Company with the necessary funds for payment in the context of corporate and/or financial transactions of an extraordinary nature, so that treasury shares in the portfolio can be used as a means of payment (or possibly as a guarantee) in transactions of an extraordinary nature such as, by way of example but not limited to, mergers and divestments, to receive the necessary funds for acquisition projects, and/or in the context of transactions of exchange and/or sale of share packages and/or for the conclusion of commercial and/or strategic alliances or for other uses deemed to be of financial and/or management interest for the Company;
- using treasury shares, either purchased or already in the portfolio, for the exercise of rights, including conversion rights, deriving from financial instruments issued by the Company;
- disposing of treasury shares in relation to compensation plans based on financial instruments pursuant to Article 114-*bis* of the TUF as approved by the Shareholders' Meeting, and/or to plans for the free assignment of shares to Shareholders;
- intervening in the market, directly or through intermediaries, in compliance with the provisions in force, in an attempt to improve the liquidity of the security by carrying out activities to support it, without prejudice to the equal treatment of Shareholders, especially in the presence of excessive volatility;
- investing, directly or through intermediaries, in an optimal form and with a medium- and long-term view, the company's liquid assets, also for the purpose of establishing long-term shareholdings and regularising the performance of the share price in accordance with the provisions in force.

2) Maximum number, category and nominal value of the shares to which the Authorisation refers

As of today, the Company's share capital consists of 31,809,451 ordinary shares, all with a nominal value of Euro 1 each.

In this regard, it is proposed that the Shareholders' Meeting authorises, pursuant to Article 2357 et seq. of the Italian Civil Code, the purchase, in one or more instalments, of a number of ordinary shares not exceeding one fifth of the share capital, taking into account the treasury shares already held in

portfolio. Considering that 20% of the share capital is represented by 6,361,890 ordinary shares and that, as at the date of approval of this report, the Company already holds 2,377,351 treasury shares, equal to approximately 7.47% of the share capital, the Company has the right to purchase a further maximum number of 3,984,539 ordinary shares corresponding to approximately 12.53% of the share capital.

The Authorisation submitted to the Shareholders' Meeting also includes the power to subsequently dispose of all or part of the treasury shares in portfolio, including in several instalments, even before the maximum number of shares that may be purchased has been reached.

### 3) Additional information useful for a full assessment of compliance with the provision set forth in Article 2357, paragraph 3 of the Italian Civil Code.

It should be noted that none of the Company's subsidiaries owns Servizi Italia S.p.A. shares and that in any case, at any time, the maximum number of treasury shares held, also taking into account any shares that may be held by subsidiaries, shall never exceed one fifth of the share capital. This limit refers to all treasury shares held by the Company in its portfolio including, therefore, purchases made under previous resolutions and the Company's shares held by its subsidiaries.

In this regard, subsidiaries will be given specific instructions to promptly report any acquisition of treasury shares, pursuant to Article 2359-*bis* of the Italian Civil Code.

The number of treasury shares that can be purchased within the limits set in Article 2357, paragraphs 1 and 3 of the Italian Civil Code will also be based on the purchase price, to the extent that the same can be found in the distributable profits and in the available reserves resulting from the last duly approved financial statements.

The Board of Directors shall verify compliance with the provisions of Article 2357, paragraphs 1 and 3 of the Civil Code when making each authorised purchase.

The Board of Directors highlights the need to create, at the same time as the purchase, an unavailable reserve in an amount equal to the own shares recorded in the assets of the balance sheet, pursuant to Article 2357-*ter*, paragraph 3 of the Italian Civil Code (the "**Reserve for Treasury Shares in Portfolio**"), taking this amount from the available extraordinary reserve. In the event of a subsequent transfer, exchange, contribution, cancellation or write-down of the carrying value of treasury shares being acquired, the Reserve for Treasury Shares in Portfolio shall revert to the available extraordinary reserve, for a value equal to the carrying value of the treasury shares being transferred, exchanged, contributed, cancelled or written-down.

### 4) Requested duration of the Authorisation

The Authorisation to purchase is requested for the maximum duration permitted by Article 2357, paragraph 2 of the Civil Code, i.e. for a period of 18 months from the date on which the Shareholders' Meeting adopts the relevant Authorisation resolution.

As regards the disposal of treasury shares already in the portfolio and those that will be purchased in accordance with the purposes described above, it is hereby proposed that the Shareholders' Meeting does not set a time limit, in light of the fact that there are currently no regulatory constraints in this regard and in light of an advised maximum flexibility, including in terms of time, for the disposal of such shares, leaving the Board of Directors free to carry out authorised transactions once or more at any time.

### 5) Minimum and maximum price and market valuation on the basis of which they were determined

5.1) The purchase of treasury shares must be carried out on the market, in compliance with the applicable laws and regulations:

- at a minimum purchase price not lower than 20% of the weighted average of the official prices of the shares recorded by Euronext Milan in the three days preceding each individual transaction (or the announcement of the transaction, depending on the technical procedures identified by the Board of Directors);
- at a maximum purchase price not exceeding 20% of the weighted average of the official prices of the shares recorded by Euronext Milan in the three days preceding each individual transaction (or the announcement of the transaction, depending on the technical procedures identified by the Board of Directors).

For purchases made on the market, however, the additional conditions set out in Article 3 of the Delegated Regulation (EU) 2016/1052 shall apply in terms of purchase prices. In particular, with regard to the definition of volumes and unit prices, purchases will be made, in accordance with the conditions laid down in the aforementioned article, namely:

shares shall not be purchased at a price exceeding the higher price between the last independent transaction and the price of the highest current independent purchase offer on the purchase market;  
 - the daily purchase quantities shall not exceed 25% of the average daily trading volume of Servizi Italia S.p.A.'s shares. The daily volume shall be calculated on the basis of the average daily trading volume during one of the following periods:

- a) during the month preceding the month in which the market is notified of the average daily volume of shares to be purchased. This volume will be fixed and shall apply throughout the duration of the plan;
- b) in the 20 trading days preceding the date of purchase, when the volume is not indicated in the plan;

Treasury shares in the portfolio may be disposed of as follows:

a) by sale on the stock exchange or in blocks, including in accordance with private negotiations. In such cases, the following limits will be observed:

- the minimum sale price shall not be lower than 20% of the weighted average of the official prices of the shares recorded on the market of Euronext Milan in the three days preceding each individual transaction and, in any case, in compliance with the laws and regulations in force;
- the maximum sale price may not exceed 20% of the weighted average of the official prices of the shares recorded by Euronext Milan in the three days preceding each individual transaction and, in any case, in compliance with the laws and regulations in force;

b) in terms of the price for the purchase of shareholdings or companies; in such cases, these disposals may be carried out at a consideration which may not be less than 15% of the arithmetical average of the official price recorded by the security during the 90 days preceding the date of disposal;

c) the price of the disposal, if the sale is carried out for a cash consideration, may not be less than 90% of the weighted average purchase price and, in any event, may not be less than the lower of the purchase prices.

These price limits may be waived both in the case of exchanges or transfers of treasury shares (or the provision of guarantees on them) as part of the implementation of transactions concerning business and/or commercial projects and/or in any case of interest to the Issuer or the Group, and in the case of the assignment and/or transfer, for consideration or free of charge, of shares or options on them in relation to (i) compensation plans based on financial instruments pursuant to Article 114-bis of the Consolidated Law on Finance TUF (in favour, inter alia, of directors, employees, collaborators, agents and consultants of the Company), and/or (ii) the issue of financial instruments convertible into shares

and/or (iii) programmes for the free assignment of shares to Shareholders and/or (iv) a public sale or exchange offer.

Disposal transactions shall be accounted for in accordance with the applicable legal provisions and accounting principles.

#### 6) Methods applied to purchases and disposals

Purchase transactions shall, in any case, be carried out in compliance with Articles 2357 et seq. of the Italian Civil Code, Article 5 of EU Regulation No. 596/2014 ("*Market Abuse Regulation*", hereinafter "**MAR**"), Article 132 of the CFA, Article 144-*bis* of the Issuer Regulation, accepted market practices and the guidelines adopted by the Supervisory Authority from time to time, and therefore, inter alia: (i) by means of a public purchase or exchange offer, or (ii) on the market or, where applicable, on multilateral trading systems, in accordance with the operating procedures established by the market management company that do not allow the direct matching of trading proposals for purchase with predetermined trading proposals for sale, or (iii) by the purchase and sale, in compliance with current regulatory provisions, of derivative instruments traded on regulated markets or, where applicable, on multilateral trading systems that provide for the physical delivery of the underlying shares, or (iv) by the allocation to Shareholders, in proportion to the shares they hold, of a put option to be exercised under the terms identified by the Board of Directors within a maximum period of 18 (eighteen) months from the date on which the Shareholders' Meeting adopts the corresponding resolution, or (v) in the manner established by market practices permitted by CONSOB pursuant to Article 13 of the MAR and/or by the guidelines adopted by the Supervisory Authority applicable from time to time, and in any case in such a way as to ensure equal treatment between Shareholders and compliance with all applicable rules, including European rules (and, in particular, the regulatory technical standards adopted in implementation of the MAR).

Treasury shares may be purchased in other ways than those indicated above where permitted in accordance with the regulations in force from time to time and/or the guidelines of the Supervisory Authority, taking into account the need to comply with the principle of equal treatment of shareholders in all cases.

The shares to be acquired in execution of the shareholders' Authorisation may be subject to disposal and, in this context, may also be sold, even before having reached the maximum number of purchases covered by this authorisation, on one or more occasions, without time limits, in the manner deemed most appropriate by the Company, including, by way of example, a sale on the stock exchange and/or over the counter and/or on the block market, by means of an institutional placement, as consideration for equity investments and/or companies, as well as based on the execution of agreements with *strategic partners and in any case under any other form of disposal permitted by the relevant regulations in force, including the public offer for sale or exchange and the assignment and/or transfer, for consideration or free of charge, of shares or related options in accordance with (i) the compensation plans based on financial instruments pursuant to Article 114-bis of the TUF, (ii) the issue of financial instruments convertible into shares and (iii) the plans for the free assignment of shares to Shareholders.*

#### 7) Involvement of the purchase of treasury shares in the reduction of the share capital

It should be noted that the request for Authorisation to purchase treasury shares is not, at present, aimed at operations to reduce the share capital by cancelling treasury shares purchased in accordance with the purposes of paragraph 2 of Article 5 of the MAR.

Trading in treasury shares, in the context of buyback plans, shall comply with the conditions set out in Article 5 of the MAR, Delegated Regulation (EU) 2016/1052 and/or be carried out in accordance with

the market practices permitted by Consob pursuant to Article 13 of the MAR and/or the guidelines of the Supervisory Authority, so as to benefit, where applicable, from the protection provided by MAR or the permitted market practices.

The treasury share buyback plan shall be coordinated by an investment entity that will make the negotiation decisions on when to purchase Servizi Italia S.p.A. in full independence from the latter, within the limits granted by the authorisation submitted for approval by the Shareholders' Meeting.

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

In light of the above, if you agree with the proposal of the Board of Directors, we hereby ask you to approve the following resolutions:

*“The Shareholders' Meeting:*

- *having acknowledged and approved the Board of Directors' Explanatory Report;*
- *having regard to the provisions of Articles 2357 and 2357-ter of the Italian Civil Code, Article 132 of Italian Legislative Decree no. 58 of 24 February 1998, Article 144-bis of the Consob Regulation adopted by Resolution no. 11971/99, as amended, as well as Article 5 of EU Regulation no. 596/2014 and Chapter II of the Delegated Regulation 2016/1052;*
- *having acknowledged that Servizi Italia S.p.A. owns, at the date of approval of this resolution, 2,377,351 ordinary shares of Servizi Italia, equal to 7.47% of the share capital and that the subsidiaries do not hold shares of Servizi Italia S.p.A.;*
- *having regard to the financial statements for the year ended 31 December 2022;*

*resolves*

- a) *to authorise the Board of Directors to purchase treasury shares with a unit value of Euro 1 within the maximum limit provided for by Article 2357 of the Italian Civil Code, corresponding to 20% of the share capital, while specifying that*
- *purchases may be made at any time, in one or more tranches, within 18 months of today's shareholders' meeting;*
  - *the share buyback plan may be coordinated by an investment entity that will make the negotiation decisions on when to purchase Servizi Italia S.p.A. in full independence from the latter;*
  - *purchases may be made in accordance with the provisions of Article 5 of EU Regulation No. 596/2014, Article 132 of Italian Legislative Decree No. 58 of 24 February 1998, Article 144-bis of the Regulation adopted by CONSOB resolution No. 11971/99, with accepted market practices and/or with the guidelines adopted by the Supervisory Authority applicable from time to time, and therefore, inter alia: (i) by means of a public purchase or exchange offer, (ii) on the market or, where applicable, on multilateral trading systems, in accordance with the operating procedures established by the market management company, (iii) by means of the purchase and sale, in accordance with the regulatory provisions, in force from time to time, of derivative instruments traded on regulated markets or, where applicable, on multilateral trading systems that provide for the physical delivery of the underlying shares; (iv) by means of the allotment to the Shareholders, in proportion to the shares held by them; of a put option to be exercised under the terms identified by the Board of Directors within the maximum term of 18 (eighteen) months from today's date; (v) through the various methods established by market practices accepted by CONSOB pursuant to Article 13 of the Regulation (EU) No. 596/2014; (vi) in the various ways permitted by the regulations in force from time to time and/or by the guidelines of the Supervisory Authority;*
  - *the purchase price of each share may not be more or less than 20% of the weighted average of the official prices of the shares recorded on the market of Euronext Milan in the three days preceding each*



*purchase transaction (or the announcement of the transaction, depending on the technical procedures identified by the Board of Directors);*

- *purchases must be made within the limits of distributable profits and available reserves as set out in the latest approved annual financial statements;*
- *for purchases made on the market, however, the additional conditions set out in Article 3 of the Delegated Regulation (EU) 2016/1052 shall apply, i.e.*

*shares shall not be purchased at a price exceeding the higher price between the last independent transaction and the price of the highest current independent purchase offer on the purchase market;*

*- the daily purchase quantities shall not exceed 25% of the average daily trading volume of the security of Servizi Italia S.p.A. stock.;*

*- the average daily volume will be calculated on the basis of the average daily trading volume:*

- ✓ *during the month preceding the month in which the market is notified of the average daily volume of shares to be purchased. This volume will be fixed and shall apply throughout the duration of the plan;*
- ✓ *in the 20 trading days preceding the date of purchase, when the volume is not indicated in the plan;*

*b) to authorise the Board of Directors, pursuant to Article 2357-ter of the Italian Civil Code, to dispose, at any time, in whole or in part, on one or more occasions and even before having exhausted the purchases, of the treasury shares purchased under this resolution, establishing that:*

- *the sale may take place in the manner deemed most appropriate in the interest of the Company including, by way of example, the disposal on the stock exchange and/or on the block market, by way of an institutional placement, and over-the-counter as consideration for equity investments or businesses, as well as for the conclusion of agreements with strategic partners and in any case under any other form of disposal permitted by the applicable regulations, with the provision that:*

*- in the event of sale on the stock exchange and/or in blocks, the transfer price of each share may not be lower or higher than 20% of the weighted average of the official prices of the shares recorded on the market of Euronext Milan in the three days preceding each individual transaction;*

*- in the event of disposal for the purchase of shareholdings or companies, the consideration per share shall not be lower than 15% of the arithmetical average of the official prices of the shares recorded on the market of Euronext Milan in the 90 days preceding the date of disposal;*

*- the price of the disposal, if the sale is carried out for a cash consideration, may not be less than 90% of the weighted average purchase price and, in any event, may not be less than the lowest of the purchase prices;*

- *the afore-mentioned price limits may be waived both in the case of exchanges or transfers of treasury shares (or provision of guarantees over them) as part of the implementation of transactions related to business and/or commercial projects and/or in any case of interest to the Issuer or the Group, and in the case of the assignment and/or transfer, for consideration or free of charge, of shares or options on the same in relation to (i) compensation plans based on financial instruments pursuant to Article 114-bis of the TUF (in favour of, inter alia, directors, employees, collaborators, agents and consultants of the Company), and/or (ii) the issue of financial instruments convertible into shares and/or (iii) plans for the free assignment of shares to Shareholders and/or (iv) a public sale or exchange offer;*

- *the Authorisation to dispose of the treasury shares, even before the purchases are exhausted, is given without time limit;*

*c) the Board of Directors is granted all powers necessary to implement the above resolutions, also through special attorneys or special intermediaries, complying with any requests made by the competent Authorities”.*

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

**4. Appointment of the Board of Statutory Auditors for the financial years 2023-2024-2025; inherent and contingent resolutions:**

**4.1 Appointment of the Board of Statutory Auditors and its President;**

**4.2 determination of the relevant remuneration.**

Dear Shareholders,

We remind you that the mandate of the current Board of Statutory Auditors will expire at the next Shareholders' Meeting called to approve the financial statements as at 31 December 2022; Your Board of Directors has therefore called the Shareholders' Meeting to appoint the new members of the Board of Statutory Auditors which, pursuant to Article 20 of the Articles of Association, consists of three Standing Auditors and two Alternate Auditors, who remain in office for three years and may be re-elected; at least one Statutory Auditor and one Alternate Auditor must belong to the less represented gender within the Board of Statutory Auditors and, in any case, the composition of the Board of Statutory Auditors must ensure gender balance in compliance with legislation, including regulations, from time to time in force.

Pursuant to the current legislative provisions and Article 20 of the Articles of Association, the appointment of the Board of Statutory Auditors is based on the lists submitted by the Shareholders where the candidates are listed by means of a consecutive number. The lists have two sections: one for the candidates to the Statutory Auditor office, the other for the candidates to the Alternate Auditor office.

Each section of the lists presenting at least three candidates must have at least one male and one female candidate, in accordance with the regulations, including statutory, on gender balance, and taking into account the criterion of rounding down to the lower unit applicable to the bodies of three members pursuant to Article 144-undecies.1, paragraph 3, of the Issuer Regulations and the need to respect the balance between genders even in the event of replacement of Statutory Auditors during their term of office; the candidates must be entered into the list in alternating order (one male, one female or vice versa, and so on).

Pursuant to Article 20.3 of the Articles of Association, the members of the Board of Statutory Auditors are chosen from among those who meet the requirements of integrity, professionalism and independence provided for by law and by the regulatory provisions. For the purposes envisaged by Italian Ministerial Decree No. 162 of 30 March 2000, subjects and sectors closely related to the Company's activities listed in the corporate purpose are considered.

The following have the right to present lists: Shareholders who, alone or together with other Shareholders, represent at least **2.5%** of the share capital with the right to vote during ordinary Shareholders' Meetings.

The lists must be filed at the Company's registered office or by certified email to [si-servizitalia@postacert.cedacri.it](mailto:si-servizitalia@postacert.cedacri.it), by **26 March 2023**, corresponding to the twenty-fifth day prior to the date set for the first call of the Shareholders' Meeting.

In the event in which by the deadline of 26 March 2023 only one list has been submitted, or only lists submitted by Shareholders connected to one another pursuant to Article 144-quinquies of Issuer Regulations, additional lists may be submitted up to the third day subsequent to said date, namely by

**29 March 2023.** In this case, this case, the share capital threshold necessary to submit additional lists will be reduced to **1.25%** (Article 144-sexies, paragraph 5, Issuer Regulations).

The Shareholders presenting lists are required to demonstrate ownership of the minimum stake required for presentation of the lists, through suitable documentation issued by an intermediary authorised in accordance with the law, with regard to shares registered in their favour on the day the relative lists were filed with the Company. When not available at the time the list is submitted, the Company must receive said documentation by 30 March 2023.

Along with each list, the documentation required by the regulations - including statutory - in effect and by Art. 20 of the Articles of Association must be submitted, comprising the following: (i) information on the identity of the Shareholders presenting the list, indicating the total percent stake held; (ii) the declaration by the presenting Shareholders of any minority lists indicating the absence of any association relationships, pursuant to the applicable regulations, including statutory; (iii) the *curriculum vitae* of each candidate, containing a thorough description of the personal and professional characteristics and indicating the administration and control positions held in other companies, as well as (iv) the declarations whereby the individual candidates accept the candidature and certify, under their responsibility, that there are no grounds for ineligibility or incompatibility, also with regard to the limits on cumulative number of positions envisaged by the regulations in effect and by Art. 20.2 of the Articles of Association, and possession of the requirements envisaged by law and by the Articles of Association to take on the position of Statutory Auditor.

Recall that, pursuant to Art. 20.5 of the Articles of Association and in accordance with Art. 144-sexies, paragraph 6 of the Issuers' Regulation: (i) each Shareholder, (ii) Shareholders belonging to the same group and (iii) Shareholders participating in a shareholders' agreement involving shares of the Company, may not present or vote for more than one list, even through third parties or trust companies; participation and votes that are in violation of this prohibition shall not be attributed to any list. Each candidate may be included in only one list, on pain of ineligibility.

Pursuant to Art. 20.5 of the Articles of Association, the lists that do not comply with the above provisions will be considered not to have been submitted.

Reference is also made to CONSOB Communication No. DEM/9017893 of 26 February 2009, in which the Supervisory Authorities recommended that Shareholders submit a minority list, declaring the absence of any relationships pursuant to Article 144-*quinquies* of the Issuer Regulations, and to also state in said declaration the absence of any significant relationships, as indicated in the same Communication, with Shareholders that hold, even jointly, a controlling or relative majority interest, or if this is not the case, to indicate the existing significant relationships and the reasons for which they were not included in stating the existence of association relationships pursuant to Article 148, paragraph 2 of the CFA and Article 144-*quinquies* of the Issuer Regulations.

Considering that, pursuant to Article 2400, last paragraph, of the Italian Civil Code, at the time of appointment and prior to 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.

In relation to the composition of the lists, 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:

the statutory auditors should be by majority legal auditors registered in the specific register;

(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.

The procedure for the election of the Board of Statutory Auditors is as follows:

- two standing auditors and one alternate auditor are taken from the list that obtained the highest number of votes from Shareholders at the Shareholders' Meeting, on the basis of the progressive order in which they are listed in the sections of the list;
- from the list that obtained the second highest number of votes from Shareholders at the Shareholders' Meeting and that is not connected, even indirectly, in accordance with the provisions of current legislation and regulations, with the Shareholders who submitted or voted for the list that received the highest number of votes, the remaining standing member, who shall chair the Board of Statutory Auditors, and the other alternate member shall be drawn, on the basis of the progressive order in which they are listed in the sections of the list.

If the composition of the Board of Statutory Auditors is not ensured by the aforementioned methods, in compliance with the gender balance envisaged in Article 20.1 of the Articles of Association, the necessary replacements of candidates on the list that obtained the highest number of votes, according to the progressive order in which the candidates are listed. If this procedure does not allow compliance with the regulations in force from time to time on the subject of gender balance within the Board of Statutory Auditors, the Shareholders' Meeting shall provide for the necessary replacements by a resolution adopted with the majority required by law.

In the event of a tie, the Shareholders' Meeting shall proceed to a new vote, putting to the vote only the first two lists. The same rule shall apply in the event of a tie between the lists that are second in number of votes and that are not connected, even indirectly, in accordance with the provisions of current legislation and regulations, with the Shareholders who have submitted, contributed to the submission of, or voted for the list that was first in number. In the event of further parity between lists, the list presented by the Shareholders with the largest shareholding or, alternatively, the list presented by the largest number of Shareholders shall prevail.

The previous provisions on the election of the members of the Board of Statutory Auditors and the appointment of the Chairman do not apply if a single list is submitted or if no list is submitted. In such cases, the Shareholders' Meeting resolves with the legal majorities and in compliance with the gender balance criterion set forth in Article 20.1 of the Articles of Association.

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.

Therefore, Shareholders who intend to submit nominations are asked to prepare and file, together with the list, a proposal for a resolution on the fourth item of the agenda, also in regard to the compensation payable to the Statutory Auditors.

Castellina di Soragna (PR), 6 March 2023

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