



**GVS S.p.A.**

*Registered office in Zola Predosa (BO), Via Roma, 50 - share capital Euro 1,750,000.00 fully paid up.*

*Bologna Register of Companies and tax code 03636630372 and VAT number 00644831208 - Economic and Administrative Index (REA) BO-305386*

*Explanatory Report by the directors on the sixth item on the agenda of the Shareholders' Meeting convened in an ordinary session for 3 May 2023, in a single call.*

6. **Sixth item on the agenda - Appointment of the Board of Statutory Auditors for the three-year period 2023-2025: 6.1. Appointment of three Statutory Auditors and two Alternate Auditors; 6.2. Appointment of the Chairman of the Board of Statutory Auditors; 6.3. Determination of the annual compensation of the standing members of the Board of Statutory Auditors.**

Dear Shareholders,

The Board of Directors convened you in Ordinary Meeting to discuss and resolve on the renewal of the Board of Statutory Auditors for the three-year period 2023-2025 in accordance with the terms and provisions of the Articles of Association, i.e:

1. appoint three Statutory Auditors and two Alternate Auditors,
2. appoint the Chairman of the Board of Statutory Auditors, and
3. determine the annual compensation of the standing members of the Board of Statutory Auditors.

The new Board of Statutory Auditors will remain in office for three years and thus until the Meeting to approve the financial statements for the year ending 31 December 2025.

In fact, with the Meeting to approve the financial statements for the year ending 31 December 2022, the term of office of the Board of Auditors, appointed by the Meeting of 13 March 2020 for the three-year period 2020-2022, expires.

#### Appointment of Auditors

Statutory Auditors are appointed on the basis of lists submitted by the Shareholders, according to the procedure set forth in Article 24 of the Company Bylaws.

The Chairman of the Board of Auditors is appointed by the Meeting from among the Auditors elected by the minority.

#### *Submission of lists*

Only shareholders who, alone or together with other shareholders, hold shares representing at least 2.5% of the share capital in accordance with CONSOB's determination no. 76 of 30 January 2023 are entitled to submit lists.

Lists must be filed in one of the following ways: (i) by hand delivery to the Legal and Corporate Affairs Office, Via Roma, 50, 40069 Zola Predosa (BO), during normal office hours, or (ii) by certified electronic mail to the address [gvsspa.gvs@legalmail.it](mailto:gvsspa.gvs@legalmail.it) within the 25 calendar days preceding the date set for the Shareholders' Meeting (i.e. by Saturday 8 April 2023).

If by said deadline, only one list was submitted or only lists by Shareholders who are affiliated with each other pursuant to Art. 144-*quinquies* of the regulation adopted by CONSOB with resolution no. 11971/1999 ('**Issuers' Regulation**'), the deadlines for filing additional lists will be reopened until the third day following that date (i.e. by 11 April 2023) and the threshold for filing lists will be reduced to the possession of 1.25% of the Company's share capital.

Ownership of the minimum shareholding percentage for the submission of candidate lists is determined by taking into account the shares registered to the Shareholder on the day the lists are filed with the Company. Shareholders submitting lists must submit and/or deliver to the registered office a copy of the certification issued by the legally authorised intermediary, even after the lists have been filed, provided that it is at least twenty-one days before the date of the Shareholders' Meeting.

Each candidate may appear on only one list under penalty of ineligibility.

Each shareholder as well as (i) shareholders belonging to the same group, by which is meant the entity, including non-corporate entities, that is the controlling party within the meaning of Article 2359 of the Civil Code and any company controlled by, or under the common control of, the same entity, or (ii) shareholders who are party to the same shareholders' agreement pursuant to Article 122 of the TUF, or (iii) shareholders who are otherwise associated with each other by virtue of relevant relationships relevant pursuant to applicable laws and regulations in force, may not submit - or participate in the submission, even through a third party or trust company - more than one list or vote for different lists. If an individual who is connected to a reference shareholder has voted for a minority

list, the existence of said relation shall only become relevant if the vote was crucial for the election of the Auditor.

Each list shall include two sections: one for the regular auditor candidates, and one for the alternate auditor candidates. The list must indicate at least one candidate for the position of Statutory Auditor and one candidate for the position of Alternate Auditor, and may contain up to a maximum of three candidates for the position of Statutory Auditor and two candidates for the position of Alternate Auditor. The first candidate in each section shall be a certified auditor and have worked for a minimum of 3 (three) years as an auditor for clients that are legally required to have their financial statements audited. The other candidates, if they do not meet the requirements stipulated in the previous sentence, shall meet the other professional requirements under the Company Bylaws and applicable legislation and regulations.

In order to ensure a balance between genders, the lists of at least three candidates must be made up of candidates belonging to both genders, so that a number of candidates belonging to the less represented gender complies with the minimum requirements provided for by law and the *pro tempore* regulations in force concerning the balance between genders.

Furthermore, persons who exceed the limits on the accumulation of offices, or for whom there are causes of ineligibility and disqualification, or who do not meet the requirements of honourableness and professionalism established by the laws and regulations in force, cannot be elected as Auditors, and if elected, shall forfeit their office. For the purposes of Article 1(2)(b) and (c) of Ministry of Justice Decree No. 162 of 30 March 2000, which lays down the requirements of professionalism and honourableness, subjects pertaining to commercial law and tax law, business economics and corporate finance, as well as subjects and sectors pertaining to the Company's business, are deemed to be strictly pertaining to the Company's business.

Candidates must also meet the independence requirements of current legislation and the Corporate Governance Code. With regard to the situations of ineligibility and the limits on the accumulation of offices of administration and control that may be held by members of the Board of Statutory Auditors, the provisions of the law and regulations in force apply.

The lists file must be accompanied by:

- (a) information on the identity of the Shareholders who submitted the lists, with an indication of the total percentage of shareholding held, proven by appropriate documentation issued by an intermediary authorised by law;
- (b) a declaration by the Shareholders that submitted the list and other than those that hold, even jointly, a controlling or relative majority interest, certifying the absence or presence of relations of connection with the latter, with reference to the provisions of Article 144-*quinquies* of the Issuers' Regulations also taking into account the recommendations formulated by CONSOB with Communication no. DEM/9017893 of 26 February 2009;
- (c) a curriculum vitae detailing personal and professional characteristics and including a list of directorships and auditing positions held by each candidate in other companies, as well as declarations in which the individual candidates accept the candidacy and attest, under their own responsibility, the non-existence of causes of ineligibility and incompatibility, as well as the existence of the regulatory and statutory requirements for the office.

Lists for which the above statutes are not observed shall be deemed not to have been submitted.

The vote of each shareholder will concern the list and hence automatically all the candidates appearing on the list, without any provision for modifications, additions, or exclusions.

With reference to the assessment of any connection between lists, shareholders are invited to take into account the recommendations contained in Consob Communication DEM/9017893

It is recalled that, pursuant to the law and the Company Bylaws, the Chairman of the Board of Statutory Auditors is appointed by the Meeting from among the Auditors elected by the minority.

#### *Publication of lists*

The Company, at least 21 days before the date of the Shareholders' Meeting (i.e. by 12 April 2023), will make available to the public at its registered office, on its website (<http://www.gvs.com>, section "Governance - Shareholders' Meeting"), and at the authorised storage mechanism "eMarket STORAGE", the lists of candidates filed by the Shareholders.

### *Voting procedures*

The election of Auditors will take place in accordance with the following procedures:

- (a) regular auditors and 1 alternate auditor are taken from the list that obtained the highest number of votes (the "**Majority List of Auditors**"), based on the progressive order in which they are listed in the sections of the list;
- (b) the remaining Statutory Auditor - who will take on the office of Chairman of the Board of Auditors - and the other Alternate Auditor are taken from the list that obtained the second highest number of votes and that is not connected in any way, not even indirectly, pursuant to the Company Bylaws and the laws and regulations in force at the time, with those who submitted or voted for the Majority List of Auditors (the "**Minority List of Auditors**"), based on the progressive order in which they are listed in the sections of the list.

If more than one list has obtained the same number of votes, a new ballot will be held between these lists by all those entitled to vote present at the Shareholders' Meeting, and the candidates on the list that obtains the relative majority will be elected. If a person connected to a shareholder who has submitted or voted for the Majority List of Auditors has voted for another list, the existence of such a connection becomes relevant only if the vote was decisive for the election of the auditor to be taken from that other list.

If only one list is presented, the Shareholders' Meeting shall pass resolutions with the majorities required by law and all the Auditors shall be elected from that list, according to the relative progressive order.

If, as a result of voting for lists or voting for the single list, the composition of the Board of Auditors is not ensured, in terms of its regular members, in compliance with the minimum requirements provided for by law and regulations in force over time on the subject of gender balance, the candidate for regular auditor of the most represented gender elected as last in progressive order from the Majority List of Auditors or from the single list shall be replaced by the next candidate, according to the progressive order with which the candidates are listed, taken from the same list and belonging to the other gender.

If no list is presented, the Shareholders' Meeting appoints the Board of Auditors with the majorities required by law, in such a way as to ensure compliance with the minimum requirements of the law and the regulations in force at the time concerning gender balance.

In the latter cases, the chair of the Board of Statutory Auditors shall be vested respectively in the head of the only list presented or in the person appointed by the Shareholders' Meeting if no list was presented.

### *Publication of the Election of the Board of Auditors*

The Company will promptly inform the public, by means of a press release published pursuant to Article 144-*novies* of the Issuers' Regulation, of the appointment of the Board of Statutory Auditors, indicating:

- (a) the list from which each of the members was elected, specifying whether it is the list submitted or voted by the majority or by the minority;
- (b) the results of the assessments carried out, on the basis of the information provided by the interested parties or in any case available to the Company, as to whether one or more members of the Board of Statutory Auditors appointed by the Shareholders' Meeting meet the requirements provided for by Art. 148, paragraph 3, of Legislative Decree no. 58 of 24 February 1998.

### Determination of fees

Pursuant to Art. 2402 of the Civil Code and Article 24 of the Company Bylaws, the Shareholders' Meeting determines the remuneration due to the Statutory Auditors.

It should be noted that the remuneration of the Board of Statutory Auditors expiring on 13 March 2020 was originally set by the Shareholders' Meeting on 13 March 2020 and subsequently increased by the Shareholders' Meeting held on 27 April 2021 for a gross annual fee of euro 35,000 for the Chairman and euro 30,000 gross per annum for each of the other Statutory Auditors.

Shareholders, You are therefore invited to determine the remuneration of the standing members of the Board of Statutory Auditors - on the basis of the proposals that may be formulated by the

Shareholders - commensurate with the commitment required, the relevance of the role covered and the dimensional and sector characteristics of GVS, in line with the recommendations of Article 5 of the Corporate Governance Code. In this regard, please refer to Section 1, Paragraph 2 'Remuneration Policy of the Board of Statutory Auditors' of the Report on Remuneration Policy and Compensation Paid available to the public at [www.gvs.com](http://www.gvs.com) section "*Governance / Shareholders' Meeting*".

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Resolutions proposed by the Board of Directors

Shareholders,

In light of as illustrated above, the Board of Directors proposes to resolve regarding:

1. appointment of the members of the Board of Statutory Auditors;
2. appointment of the Chairman of the Board of Statutory Auditors;
3. annual remuneration of the standing members of the Board of Statutory Auditors.

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Zola Predosa, 24 March 2023

For the Board of Directors

The Chair, Grazia Valentini