

**DIRECTORS' EXPLANATORY REPORT  
TO THE ORDINARY SHAREHOLDERS'  
MEETING OF TINEXTA S.P.A.  
CALLED FOR THE DAY OF  
23 APRIL 2024 IN SINGLE CALL**

*(drafted in accordance with Art. 125-ter of Italian Legislative Decree no. 58 of 24 February 1998, as amended and supplemented, and Art. 84-ter of the regulation adopted by CONSOB resolution no. 11971 of 14 May 1999, as amended and supplemented)*

Dear Shareholders,

We are making available to you, at the registered office and on the website of Tinexta S.p.A. ("**Tinexta**" or the "**Company**") at [www.tinexta.com](http://www.tinexta.com) and through the e-Market Storage authorised storage mechanism, pursuant to Art. 125-ter of Italian Legislative Decree 58/98 as amended and supplemented (the TUF, "**Consolidated Finance Act**") and Art. 84-ter of CONSOB Regulation No. 11971/1999 as amended and supplemented (the "**Issuers' Regulations**"), a report on the proposals concerning the following matter on the agenda for the ordinary Shareholders' Meeting, which you have been invited to attend, in Via Agnello 18 at the Notary Marchetti's office, on 23 April 2024 at 12.00 in single call.

**FOURTH ITEM ON THE AGENDA**

- 4. Appointment of the Board of Directors. Related and consequent resolutions:**
  - 4.1 Determination of the number of members.**
  - 4.2 Determination of the term in office.**
  - 4.3 Appointment of the Directors.**
  - 4.4 Appointment of the Chairperson of the Board of Directors.**
  - 4.5 Determination of the total compensation for each year in office of the members of the Board of Directors.**

Dear Shareholders,

We remind you that the Shareholders' Meeting called to approve, in the ordinary session, the financial statements for the year ended 31 December 2023, called for 23 April 2024, will mark the expiry of the mandate granted to the Board of Directors in office, appointed by the Shareholders' Meeting of the Company on 27 April 2021 for the three-year period 2021-2023.

As a result of the above, you are therefore called upon to resolve, inter alia, on: (a) the determination of the number of members of the Company's Board of Directors; (b) the determination of the term of office of the Board of Directors of the Company; (c) the appointment of the members of the Board of Directors of the Company; (d) the appointment of the Chairperson of the Board of Directors of the Company and, lastly (e) the determination of the remuneration of the members of the Board of Directors of the Company.

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**4.1. Determination of the number of members of the Company's Board of Directors**

With reference to the determination of the number of Directors of Tinexta, we remind you that, pursuant to Art. 10 of the Articles of Association, the Shareholders' Meeting of the Company, before proceeding with the

election of the Board of Directors, is required to determine the number of the members of the management body, which must be composed of a minimum of 5 (five) and a maximum of 13 (thirteen).

The Board of Directors in office at the date of this Report is composed of 11 (eleven) members. It should be noted that, following the self-assessment procedure conducted at the board meeting of 7 March 2024, it emerged that, in relation to the composition of the Board, the current number of Directors was deemed generally adequate. The outgoing Board of Directors therefore invites the Shareholders to make proposals to set the number of members of the Board of Directors according to the procedures and the terms indicated in the notice of call and, in any case, in respect of the statutory limits.

The Company's Board of Directors with the expiring mandate therefore invites you to determine the number of members of the Board of Directors of Tinexta, within the aforementioned limits, on the basis of the proposals that may be formulated by the entitled parties according to the procedures and the terms indicated in the notice of call of the Shareholders' Meeting.

#### **4.2. Determination of the term of office of the Board of Directors of the Company**

We remind you that, pursuant to Art. 10 of the Articles of Association, the Directors of Tinexta remain in office for three financial years, with office expiring on the date of the shareholders' meeting called to approve the financial statements relating to the last year of their office. Directors can be re-elected.

#### **4.3. Appointment of the members of the Board of Directors of the Company**

The Board of Directors of the Company is appointed in compliance with the provisions of the Consolidated Finance Act and the related implementing regulations, as well as the Company's Articles of Association, to which reference should be made for matters not expressly indicated below.

The Directors of Tinexta are appointed by the Shareholders' Meeting of the Company on the basis of lists, in which the candidates must be listed by means of a progressive number and to an extent not exceeding those to be elected. Shareholders who, alone or together with other Shareholders, hold a stake of at least 2.5% of the share capital of Tinexta at the time of submission of the list, have the right to submit lists, in compliance with CONSOB Executive Resolution no. 92 of 31 January 2024.

The shareholders may not submit individually or jointly, nor, as for any other shareholder with the right to vote, may they vote on, not even through a third party or trustee, more than one list. Moreover, the Shareholders that:

- (i) belong to the same group (or pursuant to Art. 93 of the Consolidated Law on Finance, are in a control relationship with each other or are subject to joint control, even if the controlling party is a physical person), or
- (ii) participate in a shareholders' agreement under Art. 122 of the Consolidated Law on Finance concerning the shares of the company, or
- (iii) participate in such a shareholders' agreement and are, pursuant to the law, controlling or controlled by, or subject to joint control by, one of these participating shareholders,

may not submit individually or jointly with others more than one list, nor, as for any other shareholder with the right to vote, may they vote on different lists. The agreements and votes expressed in breach of said prohibition shall not be attributed to any list.

Pursuant to Art. 147-*quinquies*, paragraph 1, of the Consolidated Finance Act, all candidates must meet the integrity requirements set forth in Art. 148, paragraph 4, of the Consolidated Finance Act. The composition of the Board of Directors must ensure a gender balance between males and females in compliance with the applicable legal and regulatory provisions in force at the time. Each candidate may appear on only one list, under penalty of ineligibility. Each list must include (identifying them by name) candidates meeting the

independence requirements, as set forth in Art. 148, Par. 3 of the Consolidated Finance Act, in a number that cannot be below the minimum specified in the Articles of Association, i.e. 3 (three).

Pursuant to the combined provisions of article 10 of the Articles of Association and Art. 147-*ter* of the Consolidated Finance Act for the purposes of appointment of the “minority lists”, lists with less than three independent directors are also allowed, if that list has one or two names. Each list must include (identifying them by name) candidates meeting the independence requirements, as set forth in Art. 148, Par. 3 of the Consolidated Finance Act, in a number that cannot be below the minimum specified in these Articles of Association.

Shareholders should also take into account the requirements in terms of independence and number of independent directors set forth, respectively, in Recommendations No. 5 and No. 7 of the Corporate Governance Code approved on 30 January 2020 (“**Governance Code**”), which the Company has adopted. For the purposes of the declarations of independence pursuant to the Governance Code, where presented, it should be noted that the Board has determined the following quantitative and qualitative metrics to assess the relationships that may compromise independence:

- commercial or financial relations with the Group: (i) equal to or greater than 5% of the annual turnover of the company or entity over which the Director has control or in which he is an executive director; and/or (ii) equal to or greater than 5% of the annual costs incurred by the Group that are attributable to the same type of contractual relations;
- professional services to the Group: (i) equal to or greater than 5% of the annual turnover of the company or entity over which the Director has control or in which he is an executive director or of the professional firm or of the advisory company in which he is a partner; and/or (ii) 5% of the annual costs incurred by the Group that are attributable to engagements of a similar nature;
- in the case of the Director who is an individual professional or partner of a professional firm or advisory company, the significance of the professional relationships or those of the firm/company that may have an effect on his independence, including regardless of the quantitative metrics;
- a remuneration, in addition to the fixed remuneration for the office and that envisaged for participation in the internal committees of the Board of Directors, exceeding Euro 150,000 per year,

Any commercial, financial, asset-based or professional situation or relationship that may compromise or even appear to compromise the independence of the Director must be represented by the same, without prejudice to the discretion of the Board of Directors in assessing the specific situation by taking into account the best interest of the Company, the significance of the relationship and its suitability to affect the independence of the director holding the relationship.

Lists with 3 (three) or more candidates must also include candidates of a different gender, according to the provisions of the notice of call of the Shareholders' Meeting, so as to ensure that the composition of the Board of Directors meets the current legal and regulatory provisions on gender balance. In particular, pursuant to art. 147-*ter*, paragraph 1-*ter* of the Consolidated Finance Act, at least two fifths of the Directors must be elected from the less represented gender; if, in consideration of the total number of members of the Board of Directors established by the Shareholders' Meeting, the number of members of the less represented gender to be elected is not a whole number, in compliance with the provisions of art. 144-*undecies*.1, paragraph 3 of Consob Regulation no. 11971/1999, the latter will be rounded to the nearest whole number.

The lists of candidates must be filed by Shareholders, together with the certification proving they own a sufficient number of Tinexta shares to entitle them to present the list, at least by the twenty-fifth day prior to the date scheduled for the Shareholders' Meeting, in first or single call (i.e., by **29 March 2024**) according to the following procedures: (i) at the registered office of the Company in Piazza Sallustio No. 9, in Rome or (ii) via e-mail to the certified e-mail address [tinextra@legalmail.it](mailto:tinextra@legalmail.it), together with the information that allows the person filing the lists to be identified, also indicating a telephone number. Therefore the Company will make the lists available to the public at least twenty-one days prior to the date of the Shareholders' Meeting (i.e. by **2 April 2024**), according to the procedures required by current legislation and regulations. The ownership of the minimum shareholding required for the presentation of the list is determined with regard to the Tinexta shares that are registered to the Shareholder on the day on which the lists are filed with the Company. In order

to prove ownership of the number of shares needed to present the lists, the shareholders who present or contribute to the presentation of the lists must submit and/or have delivered to the registered office a copy of the appropriate certification issued by a qualified intermediary pursuant to law by the deadline set for the publication of the lists, i.e. by 2 April 2024.

The lists must be accompanied by the *curricula* of the candidates containing comprehensive information on the personal and professional characteristics of each of them and signed by the shareholders who submitted them, or their agent, with an indication of their respective identity and the overall percentage interest held on the date of submission. At the time of the submission of the list, the candidates must also lodge the declarations with which they accept their candidacy and declare, under their own responsibility:

- 1) the non-existence of causes for ineligibility for election and incompatibility, as well as the satisfaction of the necessary requirements based on the provisions of current primary and secondary legislation; and
- 2) compliance with the independence requirements as set forth in Art. 148, paragraph 3 of the Consolidated Finance Act.

Lists submitted that do not comply with all the aforementioned provisions are considered as not submitted.

According to the provisions of Communication no. DEM/9017893 of 26 February 2009, CONSOB recommends that Shareholders other than those who hold, including jointly, a controlling interest or relative majority, should submit a minority list declaring the absence of significant interests referred to in art. 144-*quinquies* of Consob Regulation no. 11971/1999, to provide the following information in the aforementioned statement:

- (i) any existing relationships, if significant, with Shareholders who hold, including jointly, a controlling interest or relative majority. In particular, it is recommended to indicate among the aforementioned relationships at least those listed in point 2 of the aforementioned CONSOB Communication. Alternatively, the absence of significant relationships must be indicated;
- (ii) the reasons why these relationships were not considered determining factors for the existence of significant interests pursuant to art. 147-*ter*, third paragraph of the Consolidated Finance Act and art. 144-*quinquies* of CONSOB Regulation no. 11971/1999, as subsequently amended and supplemented.

The Board of Directors of the Company will be elected in accordance with art. 10 of the Articles of Association of Tinexta, in compliance with the provisions contained therein with reference to the minimum number of independent Directors and Directors belonging to the less represented gender.

In particular, the Directors will be elected as follows:

- a) from the list that has obtained, at the Shareholders' Meeting, the majority of votes (hereinafter "**Majority List**"), a number of Directors, representing the total number of Board members, as previously resolved on by the Shareholders' Meeting (rounding down to the lower unit, in the event of a fraction number lower than the unit) minus two members to be appointed from the minority list as stated in subsequent letter b), shall be appointed according to the consecutive numbers assigned to them on the list, without prejudice to the provisions regarding a gender balance in compliance with all applicable regulations or other provisions in force;
- b) from the lists, other than the one under previous letter a), not related in any way, not even indirectly, pursuant to all applicable regulations or other provisions in force, with the shareholders who have submitted or voted for the list described in previous letter a), two Directors shall be appointed, proportionally to the percentage of votes obtained: to this purpose, the votes obtained by each list will be subsequently divided by one and by two. The quotients obtained are then progressively assigned to the candidates of each list, in accordance with their respective order. The quotients assigned to the candidates of the different lists shall be grouped together in one decreasing ranking list. The candidates who have obtained the highest quotients will be appointed. If more than one candidate obtains the same

quotient, the one belonging to the list from which no Director has been appointed - or with the smallest number of appointed Directors - shall be elected. If no Director or the same number of Directors has been appointed from any of these lists, the candidate of the list with the highest number of votes shall be elected. In the event of a tie of the list votes - and therefore of the quotients - the Shareholders' Meeting shall vote again and the candidate who obtains the simple majority of votes is elected.

For the purpose of the above, the lists that have not obtained a percentage of votes at least equal to half of the percentage required for the submission of the lists to be voted on, will not be taken into consideration.

If, after following this procedure:

- the composition of the Board of Directors does not comply with all applicable regulations or other provisions in force in terms of gender balance, the candidate of the more represented gender, elected last based on the sequential number in the list that has obtained the highest number of votes, shall be replaced by the first candidate, based on sequential numbers, of the least represented gender not elected from the same list. This substitution procedure will be adopted until the composition of the Board of Directors is compliant with all applicable legal or regulatory provisions in force in terms of gender balance. Finally, if this procedure does not ensure the aforementioned results, the replacement will be based on a resolution taken by the Shareholders' Meeting with a relative majority, upon submission of candidates belonging to the less represented gender;
- the number of appointed Directors meeting the independence requirements under Art. 148, Par. 3 of the Consolidated Finance Act, does not reach the minimum number versus the total number of Directors, as stated in the Articles of Association, the candidate(s) who does(do) not meet these requirements, and was(were) elected last according to the consecutive numbers of the list that has obtained the highest number of votes, under previous letter a), shall be replaced by the first candidate(s) based on the same consecutive order, who meets/meet these requirements and was/were not elected from the same list, or, if for any reason, this is not sufficient, from the lists that have obtained the second highest number of votes, starting from the list under previous letter b), and continuing with the following lists based on the number of votes obtained, in decreasing order, provided that compliance with all applicable all applicable regulations or other provisions in force in terms of gender balance is ensured. Lastly, if this procedure does not produce the aforementioned results, the Shareholders' Meeting shall carry out the election in accordance with the majority required by law, upon submission of the candidacies of subjects who meet the set-out requirements, in such a manner as to ensure compliance, in all cases, with all applicable regulations or other provisions in force in terms of gender balance.

If two or more lists obtain an equal number of votes, the Shareholders' Meeting shall resort to a ballot with a resolution based on a relative majority, while ensuring compliance with all applicable regulations or other provisions in force in terms of gender balance.

If only one list is submitted, the aforementioned procedure shall not be implemented and the Shareholders' Meeting shall resolve on the basis of the majorities required by law, with all Directors being elected from this one list, according to their sequential order and until the number previously set out by the Shareholders' Meeting is reached, without prejudice to the minimum number of Directors meeting the independence requirements as set forth in the Articles of Association and pursuant to Art. 148, Par. 3 of the Consolidated Finance Act, while also ensuring compliance with all applicable regulations or other provisions in force in terms of gender balance.

In the absence of lists and if through the vote mechanism per list, the number of elected candidates is lower than the minimum number set forth in these Articles of Association, the Board of Directors is respectively appointed or supplemented through a Shareholders' Meeting resolution based on the majorities required by law. Also pursuant to the provisions of the previous paragraph, the Shareholders' Meeting must ensure the appointment of Directors who meet the independence requirements under Art. 148, Par. 3, of the Consolidated Finance Act, reaching at least the minimum total number set forth in the Articles of Association and in compliance with all applicable regulations or other provisions in force in terms of gender balance. Other additional legal or regulatory provisions will however remain valid.

Tinexta's Board of Directors in office decided not to avail itself of the right to submit its own list and abstains from formulating specific proposals and/or guidelines regarding the composition of the new administrative body.

In light of the above, we therefore invite you to appoint the Company's Board of Directors by casting your vote in favour of one of the lists of candidates for the office of members of Tinexta's Board of Directors, which will be presented and published in compliance with the aforementioned provisions.

#### **4.4. Appointment of the Chairman of the Board of Directors**

Pursuant to paragraph 12 of the Articles of Association, the Ordinary Shareholders' Meeting of the Company is granted the right to appoint primarily the Chairman of the Board of Directors of Tinexta. In fact, the same article sets forth that the Board of Directors of the Company may elect a Chairman from among its members only if the Shareholders' Meeting of the Company has not done so.

The outgoing Board of Directors of the Company therefore invites you to appoint the Chairman of the Board of Directors of Tinexta from among the Directors who are elected following the votes relating to the previous point 4.3, on the basis of the proposals that may be formulated by the entitled parties according to the procedures and terms indicated in the notice of call of the Shareholders' Meeting.

#### **4.5 Determination of the fee of members of the Company's Board of Directors**

Lastly, we remind you that, pursuant to art. 15 of the Articles of Association, "*Members of the Board of Directors are entitled to the reimbursement of expenses incurred in fulfilling their office. The Shareholders' Meeting may also grant the Board an overall amount for the remuneration of all directors, including those vested with special offices, pursuant to Art. 2389, Section 3, second paragraph of the Italian Civil Code, which may consist in participation in the company profits.*"

It should be noted that the Shareholders' Meeting of 27 April 2021 determined the total amount of the entire Board of Directors, including the directors vested with special offices.

The outgoing Board of Directors of the Company abstains from making specific proposals in this regard and therefore invites you to set the fee of the members of the Company's Board of Directors, based on the proposals that may be made by entitled parties according to the procedures and terms indicated in the notice of call of the Shareholders' Meeting.

Rome, 7 March 2024

On behalf of the Board of Directors

The Chairman

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