



**ILLUSTRATIVE REPORTS  
OF THE BOARD OF DIRECTORS  
FOR THE ORDINARY AND EXTRAORDINARY  
SHAREHOLDERS' MEETING OF APRIL 29,  
2024 ON ITEMS 1, 2, 3, 4, 5, 6 and 7 ON  
THE AGENDA IN THE ORDINARY SESSION  
AND ITEM 1 IN THE EXTRAORDINARY  
SESSION**



**ILLUSTRATIVE REPORT  
OF THE BOARD OF DIRECTORS  
FOR THE ORDINARY AND EXTRAORDINARY SHAREHOLDERS' MEETING  
OF APRIL 29, 2024  
ORDINARY SESSION**

**1. *Financial Statements of Garofalo Health Care S.p.A. at December 31, 2023. 2023 Directors' Report. Report of the Board of Statutory Auditors and of the Independent Audit Firm. Presentation of the Consolidated Financial Statements at December 31, 2023 and of the 2023 Consolidated Non-Financial Statement pursuant to Legislative Decree No. 254 of December 30, 2016 and Regulation (EU) No. 2020/852 of June 18, 2020. Resolutions thereon.***

Dear Shareholders,

The Board of Directors of Garofalo Health Care S.p.A. (the "**Company**") has called you to the Ordinary Shareholders' Meeting to propose the approval of the Company's financial statements at December 31, 2023, comprising the balance sheet, income statement, cash flow statement and notes to the financial statements, in accordance with law.

The Company's "Annual Financial Report at December 31, 2023" is available to the public according to law at the Company's registered office, at Borsa Italiana S.p.A., at the "eMarket STORAGE" authorised storage mechanism available at [www.emarketstorage.com](http://www.emarketstorage.com), and on the Company's website. It contains the Company's draft financial statements and the consolidated financial statements approved by the Board of Directors on March 14, 2024, together with the Directors' Report on Operations and the certification referred to in Article 154-bis, Section 5, of Legislative Decree No. 58 of February 24, 1998 (the "**CFA**"). The Annual Financial Report is also available in ESEF (European Single Electronic Format) format pursuant to Article 4(7) of Directive 2004/109/EC and Delegated Regulation (EU) 2019/815, on the authorised storage mechanism "eMarket STORAGE" and the Company's website.

The reports of the Board of Statutory Auditors and the Independent Audit Firm are available on the Company's website along with the Annual Financial Report. Reference should therefore be made to these documents.

In the same manner, the Consolidated Non-Financial Statement for the year 2023 pursuant to, on the one hand, Legislative Decree No. 254 of December 30, 2016 and Consob Regulation No. 20267 of January 18, 2018 and, on the other hand, Regulation (EU) 2020/852 (Taxonomy Regulation), Delegated Regulation (EU) 2021/2139 and Delegated Regulation (EU) 2021/2178, approved by the Board of Directors on March 14, 2024, is also available for public consultation. Specifically, this report contains information on environmental, social and personnel issues, respect for human rights and the fight against active and passive corruption.

It should be noted that the Consolidated Financial Statements, the Directors' Report, the reports of the Board of Statutory Auditors and the Independent Audit Firm, in addition to the Non-Financial Statement, are presented to the Shareholders' Meeting for informational purposes only, since they are not subject to approval by the Meeting.

As such, we request your approval for the Company's Financial Statements at December 31, 2023.



We therefore submit for your approval the following motion:

*“The Shareholders’ Meeting of Garofalo Health Care S.p.A, meeting in ordinary session,*

- *having heard and noted the information set out by the Board of Directors;*
- *having examined the Garofalo Health Care S.p.A financial statements at December 31, 2023, comprising the balance sheet, income statement, cash flow statement and the notes to the financial statements;*
- *having noted the Directors’ Report, the statement as per Article 154-bis, paragraph 5 of Legislative Decree No. 58 of February 24, 1998, the Reports of the Board of Statutory Auditors and of the Independent Audit Firm, of the Consolidated Non-Financial Statement as per Legislative Decree No. 254 and Regulation (EU) 2020/852 of December 30, 2016, and of the consolidated financial statements at December 31, 2023,*

*resolves*

*to approve the financial statements at December 31, 2023 in all their parts and findings.”*

Rome, March 14, 2024

**The Chairperson of the Board of Directors**

**Alessandro Maria Rinaldi**



**ILLUSTRATIVE REPORT  
OF THE BOARD OF DIRECTORS  
FOR THE ORDINARY AND EXTRAORDINARY SHAREHOLDERS' MEETING  
OF APRIL 29, 2024**

**2. Allocation of the net profit. Resolutions thereon.**

Dear Shareholders,

the financial statements of Garofalo Health Care S.p.A. (the “**Company**”) at December 31, 2023 which we submit for your proposal as per item 1 on the Agenda show a profit for the year of approximately Euro 9,488 thousand.

Article 40 of the By-Laws states that, in accordance with law, *"5% (five percent) of the net profits resulting from the company's financial statements must be retained in the statutory reserve, until said reserve has reached an amount equal to one fifth of the share capital"* and that *"from the net profits, an amount equal to a maximum of 1% (one percent) of the same must also be deducted, according to the indications provided by the Board of Directors, to be allocated to a fund to be used autonomously by the Board of Directors for scientific and/or charitable purposes"*.

The Board of Directors confirms that the legal reserve has not reached an amount equal to one-fifth of the share capital, and that consequently an amount of approximately Euro 474 thousand will be deducted from the net profits to be allocated to the legal reserve.

The Board of Directors also proposes to deduct from the year's profit an amount of approximately Euro 95 thousand, in compliance with the statutory limit, to be disbursed by the Board of Directors "for scientific and/or charitable purposes".

Considering the above, we therefore propose the following allocation of the profit for the period: Euro 474 thousand to the legal reserve, Euro 95 thousand to the provision as per Article 40 of the By-Laws, and the remainder - Euro 8,919 thousand - to “retained earnings”.

We therefore submit for your approval the following motion:

*“The Shareholders' Meeting of Garofalo Health Care S.p.A. called in ordinary session, having heard and noted the statements made by the Board of Directors,*

*resolves*

*to allocate Euro 474 thousand to the legal reserve, Euro 95 thousand to the provision as per Article 40 of the By-Laws and Euro 8,919 thousand to “retained earnings”.*

Rome, March 14, 2024

**The Chairperson of the Board of Directors**

**Alessandro Maria Rinaldi**



**ILLUSTRATIVE REPORT  
OF THE BOARD OF DIRECTORS  
FOR THE ORDINARY AND EXTRAORDINARY SHAREHOLDERS' MEETING  
OF APRIL 29, 2024**

**3. Resolutions on the Remuneration Policy and Report in accordance with Article 123-ter of Legislative Decree No. 58 of February 24, 1998 (CFA) and Article 84-quater of Consob Regulation No. 11971/1999 (Issuers' Regulation):**

- 3.1 binding vote on the remuneration policy for 2024 set out Section I of the Report. Resolutions thereon;**
- 3.2 consultation on the second section of the report regarding compensation paid in or relating to 2023. Resolutions thereon.**

Dear Shareholders,

the Board of Directors of Garofalo Health Care S.p.A. (the "**Company**") has called you to the Ordinary Shareholders' Meeting to propose that you examine, discuss and take the consequent motions regarding, *inter alia*, the Report on the 2024 Remuneration Policy and compensation paid in 2023, prepared pursuant to Article 123-ter of Legislative Decree No. 58 of February 24, 1998 (the "**CFA**") and Article 84-quater of the Regulations adopted by Consob Resolution No. 11971 of May 14, 1999 (the "**Issuers' Regulation**"), in accordance with Schedule 7-bis in Annex 3A of the Issuers' Regulation, and in accordance with Article 5 of the *Corporate Governance Code* (the "**Remuneration Report**").

In this regard, we note that the Remuneration Report consists of two sections:

- (i) Section I illustrates the Policy proposed for 2024 by the Company for the remuneration of Directors and members and the Board of Statutory Auditors, specifying the purposes pursued, the bodies and persons involved and the procedures used for its adoption and execution (the "**2024 Remuneration Policy**");
- (ii) Section II sets out the remuneration for the year ending December 31, 2023 by name for the Directors and Statutory Auditors (the "**Report on Remuneration paid in 2023**").

The Remuneration Report was approved by the Board of Directors, upon the proposal of the Appointments and Remuneration Committee, on March 14, 2024, and will be made available to the public within the terms of the law.

The 2024 Remuneration Policy is submitted to the shareholders for a vote; the related motion is binding.

The Report on Remuneration paid in 2023 is also subject to a shareholder vote; the related motion is non-binding.

Considering the above, we therefore submit the following proposed motions for your approval:

*"The Shareholders' Meeting of Garofalo Health Care S.p.A. meeting in ordinary session, having noted the Report on the 2024 Remuneration Policy and compensation paid in 2023, prepared in accordance with Article*



*123-ter of Legislative Decree No. 58 of February 24, 1998 (the CFA) and Article 84-quater of the Regulations adopted by Consob Resolution No. 11971 of May 14, 1999 (the Consob Issuers' Regulation), in accordance with Schedule 7-bis in Annex 3A of the Issuers' Regulation, and in accordance with Article 5 of the Corporate Governance Code, approved by the Board of Directors on March 14, 2024*

*resolves*

- *to approve Section I of the "Report on the 2024 Remuneration Policy and compensation paid in 2023," which outlines the Policy for 2024 for the Remuneration of Directors and members of the Board of Statutory Auditors, specifying the purposes pursued, the bodies and persons involved and the procedures used for its adoption and execution."*

*\*\*\**

*"The Shareholders' Meeting of Garofalo Health Care S.p.A. meeting in ordinary session, having noted the Report on the 2024 Remuneration Policy and compensation paid in 2023, prepared in accordance with Article 123-ter of Legislative Decree No. 58 of February 24, 1998 (the CFA) and Article 84-quater of the Regulations adopted by Consob Resolution No. 11971 of May 14, 1999 (the Consob Issuers' Regulation), in accordance with Schedule 7-bis in Annex 3A of the Issuers' Regulation, and in accordance with Article 5 of the Corporate Governance Code, approved by the Board of Directors on March 14, 2024*

*resolves*

- *in favour of Section II of the "Report on the 2024 Remuneration Policy and compensation paid in 2023" which sets out the remuneration for the year ending December 31, 2023 by name for the Directors and Statutory Auditors, making the outcome of the vote available to the public pursuant to Article 125-quater, paragraph 2, of the CFA."*

Rome, March 14, 2024

**The Chairperson of the Board of Directors**

**Alessandro Maria Rinaldi**



**ILLUSTRATIVE REPORT  
OF THE BOARD OF DIRECTORS  
FOR THE ORDINARY AND EXTRAORDINARY SHAREHOLDERS' MEETING  
OF APRIL 29, 2024**

**4. Long-term incentive plan “2024-2026 Performance Share Plan”. Resolutions thereon.**

Dear Shareholders,

The Board of Directors of Garofalo Health Care S.p.A. (the “**Company**”) has called you to the Ordinary Shareholders' Meeting to present for your approval, pursuant to Article 114-*bis*, paragraph 1, of Legislative Decree No. 58 of February 24, 1998 (“**CFA**”), the long-term incentive plan titled “2024-2026 Performance Share Plan” (the “**Plan**”), addressed to the Chief Executive Officer and key figures of the Company and/or Group who may be identified by the Board of Directors from time to time.

For a description of the content of the Plan, prepared in accordance with Article 114-*bis* of the CFA and Article 84-*bis* of the regulation adopted by Consob with motion No. 11971 of May 14, 1999, as subsequently amended (“**Issuers’ Regulation**”), and Attachment 3A, Diagram 7, refer to the disclosure document made available to the public in accordance with law (“**Disclosure Document**”).

Considering that stated above, we present the following proposal:

*“The Shareholders’ Meeting of Garofalo Health Care S.p.A., meeting in ordinary session, having noted the Disclosure Document drawn up as per Article 84-*bis* of the regulation adopted by Consob with motion No. 11971 of May 14, 1999, as subsequently amended,*

*resolves*

- i) *to approve the long-term incentive plan called the “2024-2026 Performance Share Plan” according to the information set out in the above-mentioned Disclosure Document;*
- ii) *to grant to the Board of Directors, with the power to sub-delegate, every necessary or appropriate power to execute this motion and the Plan, including the power to introduce into the adopted motion and the Regulations of each Plan cycle any changes and additions that may be necessary to fulfil legal obligations and requirements. For non-exhaustive illustrative purposes only, the Board of Directors, with the power to sub-delegate, shall have the power to (i) identify the beneficiaries of each cycle; (ii) establish the maximum number of rights to be granted for each cycle in accordance with the criteria set out in the Plan and the Regulations of each Plan cycle; (iii) determine the value of the rights at their time of grant; (iv) verify that the Entry Gate has been exceeded, the achievement of Performance Targets, and the satisfaction of the “minimum payout” condition (as defined in the Disclosure Document) for the allocation of shares; (v) govern the rights of beneficiaries and/or amend the grant conditions in cases and in accordance with the provisions of the Regulations of each Plan cycle; (vi) fulfil all obligations related to the Plan’s execution; (vii) define Performance Targets, the Entry Gate, and “minimum payout” condition for each Plan cycle; and (viii) propose any substantial Plan modifications to the Shareholders' Meeting”.*



Rome, March 14, 2024

**The Chairperson of the Board of Directors  
Alessandro Maria Rinaldi**





**ILLUSTRATIVE REPORT  
OF THE BOARD OF DIRECTORS  
FOR THE ORDINARY AND EXTRAORDINARY SHAREHOLDERS' MEETING  
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**5. Authorisation to purchase and dispose of treasury shares (buyback) as per and for the purposes of Articles 2357 and subsequent of the Civil Code, 132 of Legislative Decree No. 58 of February 24, 1998 (CFA), 144-bis of Consob Regulation No. 11971/1999 (Issuers' Regulation), 5 of Regulation (EU) No. 596/2014 (MAR), 3 and 4 of Delegated Regulation (EU) No. 2016/1052, following revocation - for the part not executed - of the previous authorisation to purchase and dispose of treasury shares. Resolutions thereon.**

Dear Shareholders,

as regards the fourth item on the Agenda, the Board of Directors presents and submits for your approval the proposal for authorisation to purchase and dispose of the Company's treasury shares (buyback), as described in greater detail in this Illustrative Report, pursuant to and in accordance with Articles 2357 et seq. of the Civil Code, 132 of Legislative Decree No. 58 of February 24, 1998 (the "CFA"), 73 and 144-bis of Consob Regulation No. 11971 approved by Consob by resolution of May 14, 1999 (the "Issuers' Regulation"), 5 of Regulation (EU) No. 596/2014 on Market Abuse Regulation (the "MAR"), and 3 and 4 of Delegated Regulation (EU) 2016/1052, which lays down regulatory technical standards on the conditions applicable to share buyback programs and stabilisation measures (the "Delegated Regulation"), and also in accordance with market practices permitted from time to time, subject to revocation of the previous authorisation to purchase and dispose of treasury shares approved by the Shareholders' Meeting on April 28, 2023.

This Illustrative Report has been prepared in accordance with the guidance contained in Annex 3A, Schedule 4, of the Issuers' Regulation.

The Board of Directors firstly notes that:

- (i) on April 28, 2023, in close connection with the execution of the 2021-2023 Performance Share Plan, the Shareholders' Meeting authorised the Board of Directors to purchase, including on a revolving basis, ordinary shares of the Company, without par value, so that – taking into account the ordinary shares held in portfolio by the Company and its subsidiaries – the Company does not hold from time to time more than 3% of the Company's share capital as of the same date (including, for the sake of clarity only, treasury shares held by the Company as of the date of the Shareholders' Meeting). In any case, the total purchase equivalent may not exceed Euro 7,000,000.00 for a maximum duration of 18 months from the date of the Shareholders' Meeting motion, in addition to dispose of it in accordance with the applicable regulatory provisions and with permitted market practices from time to time, as better explained in the relevant motion;
- (ii) on July 13, 2023, the Board of Directors resolved to begin the treasury share purchase programme in execution of the aforementioned Shareholders' Meeting motion;
- (iii) given the upcoming expiration of the aforementioned authorisation and in close connection with (i) the execution of the 2021-2023 and 2024-2026 Performance Share Plans, (ii) the continuing need to stabilise the stock, in addition to the (iii) the continuing need to establish a "share reserve" to be used,



if necessary, for the execution of corporate transactions involving the disposal of treasury shares, it has been deemed opportune to submit to the Shareholders' Meeting for approval this proposal for authorisation to purchase and dispose of the Company's treasury shares, as described in greater detail in this Illustrative Report, subject to revocation of the previous authorisation to purchase and dispose of treasury shares approved by the Shareholders' Meeting on April 28, 2023;

- (iv) at March 14, 2024, the Company holds 1,666,187 treasury shares, with voting rights suspended as per the law, constituting approximately 1.85% of the 90,200,000 outstanding ordinary; no subsidiaries hold shares in the Company as of the date of this Illustrative Report.

Considering the above, the Board of Directors outlines the manner, rationale and terms of the proposed authorisation submitted for your approval.

### **1) Reasons for the requested authorisation to purchase and dispose of treasury shares.**

The Board of Directors considers it opportune to propose to the Shareholders' Meeting, considering that the Company's need to pursue the purposes of the previous plan have not changed, to authorise a new plan for the purchase and disposal of treasury shares to allow the Company to pursue the following objectives:

- (a) to create a "share reserve" to service, if needed, the 2021-2023 Performance Share Plan approved by the Shareholders' Meeting of April 30, 2021, and the 2024-2026 Performance Share Plan, the approval of which was submitted to you under agenda item 4, in addition to any other share incentive plans, including of a long-term nature, reserved for Directors and/or managers of the Company or its subsidiaries;
- (b) to intervene, in compliance with the applicable provisions and through intermediaries, in order to stabilise the share price and ensure normal trading and share prices, countering distortions related to excessive volatility or scarcity of shares; and
- (c) to create a "share reserve" to service, if needed, corporate transactions involving the sale of treasury shares (including for consideration) to allow institutional or qualifying investors - or, in any case, commercial, financial or strategic partners - to enter the Company's share capital, with a view to the pursuit of the GHC Group's best medium- and long-term interests and its strategic positioning in its market.

It remains understood that, should the reasons for their purchase cease to exist, treasury shares held by the Company may be allocated to a different purpose authorised by the Shareholders' Meeting or sold.

### **2) Maximum number, class and nominal value of the shares to which the authorization refers.**

Authorisation is requested for the purchase, including on a revolving basis, of ordinary shares of the Company, without par value, so that - taking into account the ordinary shares held in portfolio by the Company and its subsidiaries - the Company does not hold from time to time more than 3% of the Company's share capital as of today's date (including, for the sake of clarity only, treasury shares held by the Company as of the date of the Shareholders' Meeting). In any case, the total purchase equivalent may not exceed Euro 7,000,000.



### **3) Other useful information for a comprehensive review of compliance with the provision under Article 2357 of the Civil Code.**

In accordance with Article 2357 of the Civil Code, treasury share purchases must in any case be made within the limits of the distributable profits and the available reserves as per the latest approved financial statements at the time of each transaction.

Only fully paid shares may be purchased.

The value of available reserves and distributable profits, and the verification of information used to assess compliance with the maximum purchase limit set out in the authorisation, shall be analysed by the Board of Directors at the time each transaction is carried out or by any intermediary appointed by the Company pursuant to Article 4, paragraph 2, letter b) of the Delegated Regulation.

On the occasion of any transaction involving the purchase or disposal of treasury shares, the Company will make appropriate accounting entries, in accordance with Article 2357-ter, last paragraph, of the Civil Code and applicable accounting standards.

To allow for checks on subsidiaries, they will be provided with specific directives to ensure prompt notification to the Company of any purchase of ordinary shares of the parent company carried out pursuant to Article 2359-bis of the Civil Code.

Treasury shares shall have their voting rights suspended for as long as they remain owned by the Company and enjoy neither the right to receive profit distributions nor the right of option, which shall be allocated proportionally to other shares.

### **4) Duration of the requested authorisation**

Authorisation to purchase treasury shares is requested for a term of 18 months from the date of the Shareholders' Meeting motion approving the proposal, in accordance with the applicable regulations set out in Article 2357, paragraph 2 of the Civil Code, which currently sets the maximum term at 18 months.

On the other hand, authorisation to dispose of any treasury shares purchased is requested without time limits, due to the absence of provisions in this regard under current regulations and the advisability of allowing the Board of Directors to make use of maximum flexibility, including in terms of timing, to carry out the acts of disposal of any treasury shares purchased.

In any case, purchases and disposals shall be carried out in accordance with the applicable regulatory provisions referred to above, and with permitted market practices from time to time.

### **5) Minimum and maximum fees and market valuations used to determine said fees.**

Subject to the fact that the purchases of treasury shares shall be made in compliance with the terms, conditions and requirements established by the applicable regulation and, where applicable, market practice, the Board of Directors proposes that the unitary price for the purchase of the shares is set on a case by case



basis for each transaction and however may not be 10% lower or higher than the share price recorded in the trading session before each individual transaction.

The Board of Directors requests authorisation pursuant to Article 2357-ter of the Civil Code to dispose of treasury shares at the price or, in any case, in accordance with criteria and conditions determined by the Board of Directors. These shall consider the implementation methods to be used in practice, the movement in share prices in the period preceding the transaction and the best interests of the Company, any shall be in any case in compliance with the terms, conditions and requirements established by applicable regulations and, where applicable, by permitted market practices from time to time.

#### **6) Methods of purchase and, if known, of disposal.**

The purchase of treasury shares will be carried out in compliance with Article 132 of the CFA and in the manner set out in Article 144-bis, paragraph 1, letters a), b) and d-ter) of the Issuers' Regulation. The purchase methods shall be identified by the Board of Directors on the basis of, among other matters, the purpose pursued on each occasion.

Transactions for the purchase of treasury shares may be carried out in compliance with the conditions set out in Article 3 of the Delegated Regulation to benefit from the exemption provided for in Article 5, paragraph 1, of the MAR, if the conditions are met. The programme may also be (i) structured as a “predetermined share buyback program,” in accordance with the provisions of Article 4, paragraph 2, letter a) of the Delegated Regulation, or (ii) coordinated by an intermediary engaged by the Company. This intermediary shall make the trading decisions as to when to make the purchase of the Company's shares in full independence from the Company in accordance with the provisions of Article 4, paragraph 2, letter b) of the Delegated Regulation and in the manner and within the operational limits set out in the authorisation.

Should the Company, in the same period, enter into transactions for more than one of the above purposes, it shall separately record all related information and transactions, using specific securities accounts where appropriate.

#### **7) Information on the use of purchases to reduce share capital through cancellation of treasury shares purchased.**

The purchase of treasury shares is not intended to reduce the share capital, without prejudice to the Company's right, where a reduction in share capital is approved by the Shareholders' Meeting on a future date, to execute such a reduction by cancelling treasury shares in portfolio.



We therefore submit for your approval the following motion:

*“The Shareholders’ Meeting of Garofalo Health Care S.p.A, meeting in ordinary session,*

- *having heard and noted the information set out by the Board of Directors;*
- *having examined the Illustrative Report prepared by the Board of Directors pursuant to Articles 125-ter Legislative Decree No. 58 of February 24, 1998, (the CFA), 73 and 144-bis of Consob Regulation No. 11971 approved by Consob Resolution of May 14, 1999 (the Issuers’ Regulation), in accordance with the instructions contained in Annex 3A, Schedule 4, of the aforementioned Regulation;*
- *having examined the Company’s financial statements at December 31, 2023 approved today, and noting the total amount of available reserves resulting therefrom, amounting to Euro 158,339 thousand;*

*resolves*

- i) *to revoke - for the part not executed - the authorisation to purchase and dispose of treasury shares approved by the Shareholders’ Meeting on April 28, 2023;*
- ii) *to authorise the Board of Directors, pursuant to and in accordance with Articles 2357 et seq. of the CFA, 132 of the Civil Code, 144-bis of the Issuers’ Regulation, 5 of Regulation (EU) No. 596/2014 on market abuse, and 3 and 4 of Delegated Regulation (EU) 2016/1052 which lays down regulatory technical standards on the conditions applicable to treasury share buyback programmes and stabilisation measures (the Delegated Regulation):*
  - a) *to purchase, including on a revolving basis, of ordinary shares of the Company, without par value, so that - taking into account the ordinary shares held in portfolio by the Company and its subsidiaries - the Company does not hold from time to time more than 3% of the Company’s share capital as of today’s date (including, for the sake of clarity only, treasury shares held by the Company as of the date of the Shareholders’ Meeting). In any case, the total purchase equivalent may not exceed Euro 7,000,000.00. The Board shall also be authorised to carry out repeated and successive purchases, in accordance with the applicable regulatory provisions referred to above and with permitted market practices from time to time, for a maximum duration of 18 months from the date of this Shareholders’ Meeting motion;*
  - b) *to dispose of treasury shares held by the Company, including through repeated and successive disposals, in accordance with the applicable regulatory provisions referred to above and with permitted market practices from time to time, without time limits, at the price or, in any case, according to criteria and conditions determined by the Board of Directors, which shall consider the implementation methods to be used in practice, the movement in share prices in the period preceding the transaction and the best interests of the Company;*
- iii) *that the aforementioned authorisation for the purchase of the Company’s ordinary shares is contingent on:*
  - a) *the pursuit of the following purposes:*



1. *to create a “share reserve” to service, if needed, the 2021-2023 Performance Share Plan approved by the Shareholders’ Meeting of April 30, 2021, and the 2024-2026 Performance Share Plan submitted for approval by the Shareholders’ Meeting today, in addition to any other share incentive plans, including of a long-term nature, reserved for Directors and/or managers of the Company or its subsidiaries;*
  2. *interventions, in compliance with the applicable provisions and through intermediaries, to stabilise the share price and ensure normal trading and share prices, countering distortions related to excessive volatility or scarcity of shares;*
  3. *the creation of a “share reserve” to service, if needed, corporate transactions involving the sale of treasury shares (including for consideration) to allow institutional or qualifying investors - or, in any case, commercial, financial or strategic partners - to enter the Company's share capital, with a view to the pursuit of the GHC Group's best medium- and long-term interests and its strategic positioning in its market;*
- b) *the payment of a unitary price for the purchase of the Shares to be set on a case-by-case basis for each transaction but which may not in any case be 10% lower or higher than the share price recorded in the trading session before each individual transaction;*
- c) *compliance with Article 132 of the CFA and execution in the manner set out in Article 144-bis, paragraph 1, letters a), b) and d-ter) of the Issuers' Regulation;*
- iv) *that purchase of the Company's ordinary shares pursuant to this authorisation may be carried out in compliance with the conditions set out in Articles 3 and/or 4, paragraph 2, letter a) and/or (b) of the Delegated Regulation;*
- v) *to grant the Board of Directors and, on its behalf, the Chairperson and the Chief Executive Officer in office, jointly and severally and with the power to delegate, all broader powers necessary or appropriate to carry out transactions to purchase and dispose of the Company's ordinary shares, including through authorised intermediaries, and to enact this motion, including through its own proxies, including by approving any and all executive provisions of the relevant purchase program and complying with any requirements of the competent Authorities.”*

Rome, March 14, 2024

**The Chairperson of the Board of Directors**

**Alessandro Maria Rinaldi**



**ILLUSTRATIVE REPORT  
OF THE BOARD OF DIRECTORS  
FOR THE ORDINARY AND EXTRAORDINARY SHAREHOLDERS' MEETING  
OF APRIL 29, 2024**

**6. Appointment of the Board of Directors. - 6.1 Establishment of the number of members of the Board of Directors. - 6.2 Establishment of the duration of office of the Board of Directors. - 6.3 Appointment of the members of the Board of Directors. - 6.4 Appointment of the Chairperson of the Board of Directors. - 6.5 Determination of the remuneration of the members of the Board of Directors. Resolutions thereon.**

Dear Shareholders,

At this Shareholders' Meeting, called to propose the approval of the financial statements of Garofalo Health Care S.p.A. (the "**Company**") at December 31, 2023, the duration of office of the Board of Directors of the Company conferred for the 2021, 2022, and 2023 financial years expires.

It is therefore necessary to appoint the new Board of Directors and, specifically, (i) to establish the number of members; (ii) to establish the duration of office; (iii) to appoint the members; (iv) to appoint the Chairperson of the Board of Directors; and, moreover; (v) to establish the remuneration of the members.

Establishment of the number of members of the Board of Directors

The Shareholders' Meeting is, therefore, called upon to proceed with the appointment of the members of the Board of Directors, after determining the corresponding number of members, in accordance with the provisions of Article 25 of the Company's By-Laws.

In this regard, we note that pursuant to Article 25 of the By-Laws, "*the Company is managed by a Board of Directors composed of no less than seven and no more than 11 members*". The Shareholders' Meeting is therefore called upon to establish the number of members of the Board of Directors within these limits.

To this end, according to the Corporate Governance Code of the Corporate Governance Committee promoted by Borsa Italiana S.p.A in January 2020 and effective from January 1, 2021 (the "**Corporate Governance Code**"), to which the Company adheres, the Company must be classified as a "*concentrated ownership company*". Therefore, based on the provisions of Recommendation No. 23, the outgoing Board did not have to express any further "*guidance on its optimal quantitative or qualitative composition*" in view of its renewal. Nevertheless, we note that, pursuant to Recommendation No. 2, letter B, of the Corporate Governance Code, if deemed necessary to define a corporate governance system that better suits the Company's needs, the Board of Directors may prepare proposals concerning the size, composition, appointment, and duration of office of the Board of Directors to submit to the Shareholders' Meeting.





To this end, the outgoing Board of Directors, having consulted with the Appointments and Remuneration Committee, deemed 11 Directors to be appropriate, as this numerical ensures the Board of Directors comprises a solid and balanced combination of profiles and experience in terms of geographical origin and diversification in terms of age and professional backgrounds. Such qualities will be necessary to face and tackle effectively the challenges that will emerge from the foreseeable evolution of the healthcare sector and the preparation and realisation of strategic objectives.

#### Duration of office of the appointed Board of Directors

Pursuant to Article 26 of the By-Laws, the Board of Directors of the Company shall remain in office for the period established by the Shareholders' Meeting, which may not exceed three financial years, and its term of office expires on the date of the Shareholders' Meeting called to approve the financial statements for the last financial year of term of office. In any case, the members of the Board of Directors may be reappointed.

On this point, the outgoing Board of Directors, in order to ensure the Company's operating stability and consistency of action, proposes to establish the duration of office of the Board of Directors to be appointed as the maximum limit allowed by the By-Laws, i.e. three financial years, with conclusion on the date established for the Shareholders' Meeting to be called for approval of the 2026 Annual Accounts, except in case of early termination of office.

#### Appointment of the Board of Directors

In accordance with the combined provisions of Article 147-*ter* of Legislative Decree No. 58 of February 24, 1998 ("CFA") and Article 144-*quarter* of Regulation No. 11971 adopted by Consob with a motion dated May 14, 1999 ("Issuers' Regulation"), in addition to Article 27 of the By-Laws, the members of the Board of Directors are appointed by the Shareholders' Meeting based on slates presented by the Shareholders.

The slates presented by the Shareholders, accompanied by the necessary documentation, must be filed, in accordance with Article 147-*ter*, paragraph 1-*bis* of the CFA and By-Laws, at the registered office or by certified e-mail to [ghcspa@legalmail.it](mailto:ghcspa@legalmail.it), and with the market management company, at least 25 (twenty-five) days before the date set for the Shareholders' Meeting, or, in relation to this Shareholders' Meeting, by **April 4, 2024**. These slates must be made available to the public at the registered office, at the market management company, and on the Company's website [www.garofalohealthcare.com](http://www.garofalohealthcare.com) at least 21 (twenty-one) days before the date set for the Shareholders' Meeting, or, in relation to this Shareholders' Meeting, by **April 8, 2024**.

Shareholders representing, either singularly or jointly, at least 2.5% – or a different percentage established by the applicable provisions – of the share capital represented by shares granting the right to vote on Shareholders' Meeting resolutions concerning the appointment of members of the Board of Directors, may submit slates. The minimum share ownership required to present slates is established considering the Shares registered in favour of the Shareholder on the day on which said slates are filed at the Company's registered office. In order to prove ownership of the number of shares necessary to submit slates, shareholders presenting slates shall submit or deliver to the Company's registered office, or by email to the certified email address [ghcspa@legalmail.it](mailto:ghcspa@legalmail.it), a copy of the relevant certification issued by the authorised intermediary,





demonstrating ownership of the number of shares required to submit the slate. This certification may also be submitted after the slate has been filed, provided that it falls within 21 (twenty-one) days of the Shareholders' Meeting called to appoint the members of the Board of Directors.

Each Shareholder – in addition to Shareholders belonging to the same group (which either directly or indirectly exercises control within the meaning of Article 93 of the CFA over the Shareholder in question and all the companies directly or indirectly controlled by the aforesaid group), belonging to the same Shareholder agreement pursuant to Article 122 of the CFA, the parent company, the subsidiaries and those subject to joint control pursuant to Article 93 of the CFA – cannot submit or take part in the submission of more than one slate, neither through nominees or a trust company, nor vote for different slates, and each candidate can be included in one slate only, otherwise he/she will be ineligible. In the event that these provisions are violated by one or more Shareholders, the vote of such Shareholder/s shall not be taken into account with regard to any of the slates submitted.

When filed, each slate must be accompanied by:

- (a) information concerning the identity of the Shareholders who have submitted the slate and the percentage of share capital they hold overall, together with the certificate issued by the authorised intermediary proving ownership of the number of shares necessary to submit the slate at the date of filing the slate;
- (b) declarations from the individual candidates accepting their candidacies and certifying, in good faith, the inexistence of any cause of ineligibility, incompatibility, or disqualification, the absence of disqualifications from the office of Director adopted in a Member State of the European Union, in addition to the satisfaction of the requirements prescribed by applicable law for their respective offices;
- (c) declarations of independence made pursuant to applicable laws and regulations and the Corporate Governance Code; and
- (d) a curriculum vitae for each candidate, which shall contain detailed information on the personal and professional characteristics of each candidate and indicate any management and control positions they hold.

Those filing slates are advised to indicate, where appropriate, their chosen candidate for the office of Chairperson of the Board of Directors, who is appointed according to the procedures outlined in the By-Laws.

Shareholders presenting a "Minority Slate" are also governed by Consob communication No. DEM/9017893 of February 26, 2009.

The slates indicate which Directors meet the independence requirements established by law and by the By-Laws. At least one member of the Board of Directors, or two if the Board of Directors comprises more than seven members, must be considered independent as established for Statutory Auditors by Article 148, paragraph 3 of the CFA. Shareholders are invited to consider the recommendations contained in the Corporate Governance Code, specifically Article 2, regarding circumstances that compromise, or appear to compromise, the independence of a Director, and the related Q&As concerning application of the Corporate Governance Code. For the purposes of submitting declarations of independence, we note that the outgoing Board of Directors identified the quantitative and qualitative criteria for assessing the significance of



relationships that may compromise the independence of Directors (in the cases set forth in paragraphs c) and d) of Recommendation No. 7 of the Corporate Governance Code). Specifically, the following are deemed “significant” (and therefore suitable for deeming independence compromised, or apparently compromised):

- A. commercial, financial, or professional relationships producing income equal to or greater than, during the fiscal year:
  - (i) 15% of the gross annual personal income of the Director; and/or
  - (ii) 2.5% of the annual income of the company controlled by the Director or in which s/he is an Executive Director, or of the professional firm or consultancy firm of which s/he is a partner;
- B. the receipt of additional remuneration from a subsidiary of GHC and/or GHC's Parent Company equal to or greater than 50% of the fixed remuneration provided for the position of Director of GHC and participation in the relevant Committees. The calculation also takes into account the remuneration received from subsidiaries and/or the Parent Company in the form of participation in incentive plans linked to the company's performance, including share-based plans.

Notwithstanding the above, the qualitative and quantitative criteria approved by the Board of Directors provide that, in any event, the independence of a Director who is a partner in a professional firm or consulting firm that receives amounts during the fiscal year that represent 25% of GHC's annual costs incurred for consulting and/or professional activities by category shall be impaired.

Slates presenting a number of candidates equal to or greater than three shall in addition include candidates of each gender, in order to ensure a Board of Directors composition which complies with the applicable legislation on gender balance. Specifically, pursuant to Article 27, paragraph 1 of the By-Laws and Article 147-ter, paragraph 1-ter of the CFA, slates that present a number of candidates equal to or higher than three must include candidates of both genders, so as to ensure that at least two fifths of the members of the new Board of Directors belong to the under-represented gender, rounding up in the event that this is not a whole number.

Based on the assumption that there are 11 Board members, in line with the Board's proposal to the Shareholders' Meeting, there should be at least five members from the under-represented gender.

All candidates for the position of Director must also meet the good standing requirements set out in Article 147-quinquies of the CFA, which refers to the good standing requirements established for the members of the Board of Statutory Auditors by the regulation issued by the Ministry of Justice pursuant to Article 148, paragraph 4 of the CFA (this regulation was adopted by Decree No. 162 of the Minister of Justice dated March 30, 2000, as amended and supplemented).

Slates presented in violation of the above rules shall be considered null;

Although the outgoing Board of Directors did not formulate its own guidance on its optimal quantitative and qualitative composition, Shareholders are invited, when filing slates and subsequently appointing directors, to:

- (i) considering the trading of the Company's shares on the Euronext STAR Milan segment of the Euronext Milan Market organised and managed by Borsa Italiana, include on the slate at least 3 (three) Directors



who meet the independence requirements, in compliance with the provisions of Article IA.2.10.6 (Independence Requirements) of the Markets Regulation for markets organised and managed by Borsa Italiana, according to which the number of Independent Directors, excluding the Chairperson, is considered adequate when at least 3 (three) Independent Directors are present for administrative bodies composed of 9 (nine) to 14 (fourteen) members;

- (ii) in line with the recommendations of the Corporate Governance Code and in light of the diversity criteria identified by the Company – especially in its policy on the diversity of the administrative and control bodies approved by the Company and available on the website [www.garofalohealthcare.com](http://www.garofalohealthcare.com) in the Governance section – evaluate the professional characteristics, experience, including managerial experience, and gender of the candidates, in relation to the size of the Company, the specific nature of the business sector in which it operates, and the size of the Board of Directors.

Directors will be elected according to Article 27 of the By-Laws, which are provided below for ease of reference:

*“The candidates elected shall be those on the two slates that have obtained the higher number of votes, with the following criteria:*

- A. *from the slate which obtained the highest number of votes (the “Majority Slate”) all of the members of the Board of Directors are elected except one, as established by the Shareholders’ Meeting; the candidates are elected from the Majority Slate in numerical order;*
- B. *from the slate which obtained the second highest number of votes (the “Minority Slate”) and which is not connected in any way, even indirectly, with the Majority Slate and/or the shareholders who have presented or voted on the Majority Slate, the first candidate listed is elected to the Board of Directors. Slates that have not obtained votes equal to at least half of that required for their presentation will not be taken into consideration, as per paragraph i) above. If no slate other than the Majority Slate has obtained this percentage of votes, the Director described in this point B) shall be drawn from the same Majority Slate.*

*In the event of a tie between slates, the slate submitted by the shareholders holding the largest shareholding, or subordinately by the largest number of shareholders, shall prevail.*

*Where the election of the candidates according to the procedures set out above results in the appointment of a number of Independent Directors (as defined for Statutory Auditors by Article 148, paragraph 3 of the Consolidated Finance Act) below the minimum number required according to applicable law in relation to the overall number of Directors, the non-independent candidate elected last numerically from the Majority Slate shall be replaced by the first unelected independent candidate from the same slate, or, where this is not possible, by the first unelected independent candidate from the other slates, according to the number of votes obtained by each. This replacement procedure shall be carried out until the Board of Directors is composed of a number of independent members (as per the requirements set out in Article 148, paragraph 3 of the Consolidated Finance Act) equal to the minimum number required according to applicable law. Where such a procedure does not ensure this outcome, the Shareholders’ Meeting will carry out the replacement procedure by statutory majority, on condition that the candidates put forward fulfil the above-mentioned requisites.*

*Without prejudice to compliance with the minimum number of Directors who meet the independence requirements set out above, if the election of candidates as described above results in a Board of Directors whose composition does not comply with applicable legislation on gender balance, the candidate of the over-*



*represented gender elected last in numerical order from the Majority Slate shall be replaced by the first candidate of the under-represented gender according to the unelected sequential order of the same slate, or, if this is not possible, by the first candidate of the under-represented gender according to the unelected sequential order of the other slates, according to the number of votes obtained by each. This replacement procedure shall be carried out until the composition of the Board of Directors complies with the applicable legislation on gender balance. If this procedure does not achieve the above-mentioned result, the replacement will be carried out by means of a resolution taken by the Shareholders' Meeting with the majorities required by law.*

*If only one slate is submitted, all the candidates on that slate shall be elected, without prejudice to the appointment of Directors who meet the independence requirements for at least the total number required by the legislation in force at the time, as well as compliance with the regulations in force concerning the balance between genders. Where no slate is presented, the Shareholders' Meeting votes by statutory majority and does not follow the procedure described above. The above-mentioned regulations are subject to any further amendments to the law and regulations. In any case, compliance with the minimum number of Independent Directors and the current legislation on gender balance must be ensured."*

With regard to the above, the Shareholders are invited to vote at the Meeting for one of the slates of candidates for the office of Director among those drawn up, filed and published in compliance with the provisions mentioned above.

#### Appointment of the Chairperson of the Board of Directors

In accordance with Article 28 of the By-Laws, the appointment of the Chairperson of the Board of Directors is primarily the responsibility of the Shareholders' Meeting. The Board of Directors is only called upon to elect a Chairperson from among its members if the Shareholders' Meeting has not done so.

As mentioned above – taking into account, among other things, the fact that Shareholders may only participate in the Shareholders' Meeting and exercise their voting rights through the Designated Agent – those filing slates are advised to specify, if deemed appropriate, their candidate for the position of Chairperson of the Board of Directors.

In relation to the above, the Shareholders' Meeting is asked to appoint the Chairperson of the Board of Directors from among the Directors elected on the basis of the results of the votes indicated in the previous point of the agenda and the proposals formulated by the Shareholders.

#### Establishment of the remuneration of the members of the Board of Directors

Finally, Article 32 of the By-Laws provides that the members of the Board of Directors are entitled, in addition to reimbursement of expenses incurred whilst in office, to an annual fee fixed by the Shareholders' Meeting for the duration of their appointment. Meanwhile, the Board of Directors, after consulting the Board of Statutory Auditors, in accordance with Article 2389, paragraph 3, of the Civil Code, is responsible for establishing the remuneration of Senior Directors.



The remuneration policy for the Company's Directors, approved by the Board of Directors on March 14, 2024, and outlined in the first section of the Report on the 2024 Remuneration Policy and compensation paid in 2023, filed within the legal deadlines, expressed its considerations concerning the present item under discussion. It highlights the need for compensation to be consistent with the role's complexity and required commitment, in line with market benchmarks.

Based on the guidelines outlined in the aforementioned Policy, and in consultation with the Appointments and Remuneration Committee, it is considered appropriate to propose that the overall remuneration for members of the Board of Directors be set at Euro 220,000.00 gross per annum, in line with the compensation received by members not holding specific positions in the expiring three-year period.

\* \* \*

### Proposals

Considering that stated above, we present the following proposal:

*"The Shareholders' Meeting of Garofalo Health Care S.p.A, meeting in ordinary session,*

- *having examined the Board of Directors' Illustrative Report, having heard and noted the information set out by the Board of Directors;*
- *considering the provisions of Article 25 of the By-Laws concerning the number of members of the Board of Directors;*
- *taking into account the reasoned indications expressed by the outgoing Board of Directors, in consultation with the Appointments and Remuneration Committee, concerning the establishment of the number of members of the Board of Directors;*
- *considering the provisions of Article 26 of the By-Laws concerning the duration of office of the appointed Board of Directors;*
- *considering the provisions of Article 32 of the By-Laws concerning the remuneration of the members of the Board of Directors,*

*resolves to*

- i) set the number of members of the Board of Directors as 11;*
- ii) set the duration of office of the Board of Directors for a period of three financial years (2024, 2025, 2026), expiring at the Shareholders' Meeting called to approve the financial statements for 2026;*
- iii) set the total remuneration for the members of the Board of Directors at Euro 220,000.00, in addition to the reimbursement of expenses incurred while in office, upon presentation of the relevant supporting documentation, without prejudice to the powers attributed to the Board of Directors by the By-Laws in relation to establishing the remuneration for Senior Directors".*

We therefore invite Shareholders to vote for one of the slates presented by the Shareholders in compliance with legal and statutory provisions, as mentioned above.

In addition, we invite you to vote on the appointment of the Chairperson of the Board of Directors among the appointed Directors, in accordance with this matter on the agenda.



Rome, March 14, 2024

**The Chairperson of the Board of Directors**

**Alessandro Maria Rinaldi**



**ILLUSTRATIVE REPORT  
OF THE BOARD OF DIRECTORS  
FOR THE ORDINARY AND EXTRAORDINARY SHAREHOLDERS' MEETING  
OF APRIL 29, 2024**

**7. Appointment of the Board of Statutory Auditors. – 7.1 Appointment of Statutory Auditors and Alternate Auditors. – 7.2 Appointment of the Chairperson of the Board of Statutory Auditors. – 7.3 Determination of the relevant remuneration. Resolutions thereon.**

Dear Shareholders,

At this Shareholders' Meeting – called to propose the approval of the financial statements of Garofalo Health Care S.p.A. (the "**Company**") at December 31, 2023 – the duration of office of the Company's Board of Statutory Auditors for the years 2021, 2022, and 2023 expires.

You are therefore called upon to appoint a new Board of Statutory Auditors for the 2024-2026 three-year period, which will remain in office until the date of the Shareholders' Meeting called to approve 2026 financial statements, in accordance with Article 35 of the By-Laws, in addition to establish its remuneration.

Appointment of the Statutory Auditors and Alternate Auditors

We note that the Board of Statutory Auditors consists of three Statutory Auditors and two Alternate Auditors, appointed by the Shareholders' Meeting according to the slate voting mechanism.

In this regard, we note that pursuant to Article 35 of the By-Laws, to ensure that a Statutory Auditor and an Alternate Auditor are elected from the Minority Slate, the Board of Statutory Auditors is appointed on the basis of slates presented by shareholders in which candidates are listed in numerical order. The slate to be submitted is composed of two sections: one for the candidates for the office of Statutory Auditor and the other for candidates for the office of Alternate Auditor.

The slates of candidates for the position of Statutory Auditor may be submitted by any shareholders representing, including jointly, at least 2.5% (two point five percent) of the share capital represented by shares carrying voting rights in Meeting resolutions concerning the appointment of the Board. The minimum share ownership required to present slates is established considering the shares registered in favour of the shareholder on the day on which said slates are filed at the Company's registered office. In order to prove ownership of the number of Shares necessary to submit slates, Shareholders presenting slates shall submit or have delivered to the Company's registered office a copy of the relevant certification issued by the statutory intermediary, which must be presented within the term established for the presentation of slates.

The slates presented by Shareholders, accompanied by the necessary documentation, must be filed, in accordance with Article 144-*sexies*, paragraph 4-*ter* of Regulation No. 11971 approved by Consob with resolution dated May 14, 1999 ("**Issuers' Regulation**") and the Company's By-Laws, at the registered office, or by certified e-mail to [ghcspa@legalmail.it](mailto:ghcspa@legalmail.it), together with information enabling the identification of the





individual who filed the slates (also providing a telephone number), and the market management company, at least 25 (twenty-five) days before the date set for the Shareholders' Meeting, or, in relation to this Shareholders' Meeting, by **April 4, 2024**. These slates must be made available to the public at the registered office, at the market management company, on the Company's website [www.garofalohealthcare.com](http://www.garofalohealthcare.com) at least 21 (twenty-one) days before the date set for the Shareholders' Meeting, or, in relation to this Shareholders' Meeting, by **April 8, 2024**.

Pursuant to Article 144-*sexies*, paragraph 5 of the Issuers' Regulation if, within the aforementioned term of 25 (twenty-five) days, only one slate has been deposited, or only slates submitted by shareholders who are connected with each other pursuant to Article 144-*quinquies* of the Issuers' Regulation have been deposited, the deadline for filing further slates shall be extended until the third day following that date (i.e. **by April 7, 2024**), without prejudice to the provisions of Article 147-*ter*, paragraph 1-*bis* of Legislative Decree No. 58 of February 24, 1998 ("**CFA**"). Therefore, the relative ownership certificate may be sent after filing of the slate, although by the deadline of April 7, 2024 for the publication of slates by the issuer. In this event, shareholders holding, either singularly or jointly, shares representing half of the original capital threshold previously identified (i.e. 1.25% (one point two five per cent)) shall have the right to submit slates.

Each Shareholder – in addition to shareholders belonging to the same group (which either directly or indirectly exercises control within the meaning of Article 93 of the CFA over the Shareholder in question and all the companies directly or indirectly controlled by the aforesaid group), belonging to the same Shareholder agreement pursuant to Article 122 of the CFA, the parent company, the subsidiaries and those subject to joint control pursuant to Article 93 of the CFA – cannot submit or take part in the submission of more than one slate, neither through nominees or a trust company, nor vote for different slates. Each candidate may be presented on only one slate at the risk of being declared ineligible. In the event of violation of the above-mentioned provisions by one or more Shareholders, the vote of such Shareholder/s shall not be taken into account with regard to any of the slates submitted.

When filed, each slate must be accompanied by:

- (a) information concerning the identity of the shareholders who have submitted the slate and the percentage of share capital they hold overall, together with the certificate issued by the authorised intermediary proving ownership of the number of shares necessary to submit the slate at the date of filing the slate;
- (b) declarations with which each candidate accepts their candidacy and attests – under his/her own responsibility – to the absence of causes for ineligibility and incompatibility, including regarding the limit on the maximum number of offices held, as well as the existence of the requirements set out by law and by the By-Laws for the respective offices, including the requirements of independence, as specified in further detail below;
- (c) a declaration from the shareholders other than those who hold, including jointly, a controlling or relative majority shareholding, confirming the absence of connecting relationships with these latter, as defined by applicable legislation (also taking account the recommendations issued by Consob with Communication No. DEM/9017893 of February 26, 2009); and





- (d) a curriculum vitae for each candidate, which shall contain detailed information on the personal and professional characteristics of each candidate and indicate any management and control positions they hold in other companies.

Slates presenting a number of candidates equal to or greater than three shall in addition include candidates of each gender, in order to ensure a Board of Statutory Auditors composition which complies with the applicable legislation on gender balance. Pursuant to Article 148, paragraph 1-*bis* of the CFA, at least two fifths of the standing members of the Board of Statutory Auditors must belong to the under-represented gender. As specified in Consob Communication No. 1/20 of January 30, 2020, the requirement to round up figures to the nearest whole number provided for in Article 144-*undecies*.1, paragraph 3 of the Issuers' Regulation cannot be applied due to its arithmetic impossibility for corporate bodies comprising three members. In these instances, Consob considered rounding-down to the nearest whole number to be in compliance with the new rule. Consequently, since the Board of Statutory Auditors of the Company is composed of three statutory members and two alternates, and compliance with the regulations on gender balance must also be ensured whenever an Auditor is replaced, each slate containing a number of candidates equal to or greater than three must include at least one Standing Auditor and one Alternate Auditor from the under-represented gender.

Statutory Auditors are chosen from among those meeting the requirements - including those concerning the maximum number of offices held - set out by applicable legislation and regulations, including those of professionalism and good standing pursuant to Decree No. 162 of the Ministry of Justice dated March 30, 2000 or with the applicable pro tempore legislation in force. Persons who find themselves in the situations described by Article 2399 of the Civil Code may not be appointed to the office of Statutory Auditor, and if appointed or in office, they shall forfeit their office. For the purposes of the provisions of Article 1, paragraph 2, letters b) and c) of Ministerial Decree No. 162 of March 30, 2000, the matters and sectors of activity strictly related to the Company's business are understood to be those matters and sectors of activity connected with or inherent to the business performed, directly or indirectly, by the Company, pursuant to Article 4 of the By-Laws.

Candidates must also meet the independence requirements set out by current legislation and the Corporate Governance Code. For the purposes of submitting declarations of independence, we note that the outgoing Board of Directors identified the quantitative and qualitative criteria for assessing the significance of relationships that may compromise the independence of Auditors (in the cases set forth in paragraphs c) and d) of Recommendation No. 7 of the Corporate Governance Code). Specifically, the following are deemed "significant" (and therefore suitable for deeming independence compromised, or apparently compromised):

- A. commercial, financial, or professional relationships producing income equal to or greater than, during the fiscal year:
- (i) 15% of the gross annual personal income of the Statutory Auditor; and/or
  - (ii) 2.5% of the annual income of the company controlled by the Auditor or in which s/he is an Executive Director, or of the professional firm or consultancy firm of which s/he is a partner;

it being understood that the calculation does not take into account the remuneration received from GHC's subsidiaries and/or GHC's Parent Company for positions held on supervisory boards;



- B. the receipt of additional remuneration from a subsidiary of GHC and/or GHC's Parent Company for consulting and/or professional activities equal to or greater than 50% of the fixed remuneration provided for the position of Statutory Auditor of GHC. The calculation does not take into account the remuneration received from GHC's subsidiaries and/or Parent Company for positions held on supervisory boards.

Notwithstanding the above, the qualitative and quantitative criteria approved by the Board of Directors provide that, in any event, the independence of a Statutory Auditor who is a partner in a professional firm or consulting firm that receives amounts during the fiscal year that represent 25% of GHC's annual costs incurred for consulting and/or professional activities by category shall be impaired.

Without prejudice to the incompatibilities set out by the law, candidates who hold positions as Statutory Auditor in 5 (five) other listed companies or who are in breach of the limits to the number of offices held, as set out by the applicable legal or regulatory provisions, or those who do not comply with the requirements of integrity and professionalism set out by the applicable legal or regulatory provisions, may not be included in the slates, also pursuant to the Corporate Governance Code of the Corporate Governance Committee promoted by Borsa Italiana S.p.A. in January 2020 and entered into force on January 1, 2021 (the "**Corporate Governance Code**").

Reference is also made to Consob Communication No. DEM/9017893 of February 26, 2009, in which the Commission recommended that Shareholders presenting a minority slate and declaring the absence of connections referred to in Article 144-*quinquies* of the Issuers' Regulation provide the following information in said declaration:

- (i) any existing relationships, where significant, with shareholders who hold, even jointly, a controlling or relative majority share, where the latter are identifiable on the basis of the communications of significant holdings as per Article 120 of the CFA or according to the shareholder agreement published as per Article 122 of the CFA<sup>1</sup>; alternatively, the absence of significant relationships must be indicated; and
- (ii) the reasons why these relations are not considered connecting relationships as per Article 148, paragraph 2, CFA and Article 144-*quinquies* of the Issuers' Regulation.

Slates presented in violation of the above rules shall be considered null;

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<sup>1</sup> In particular, among the aforementioned relationships, we recommend at least indicating, if significant:

- kinship relationships;
- adherence in the recent past, including by companies within their respective groups, to a shareholder agreement as provided for in Article 122 of the CFA concerning shares of the issuer or companies within the issuer's group;
- adherence, including by companies within their respective groups, to the same shareholder agreement concerning shares of third-party companies;
- the existence of shareholdings, be they direct or indirect, and the possible presence of mutual shareholdings, be they direct or indirect, including among companies within their respective groups;
- holding positions, including in the recent past, within the management and control bodies of companies affiliated with the controlling or majority stakeholder(s), in addition to currently or previously being employed by these companies;
- participating, directly or through their proxies, in the slate presented by shareholders who hold, including jointly, a controlling or relative majority stake in the previous election of management or control bodies;
- having participated – during the previous election of management or control bodies – in the presentation of a slate with shareholders who hold, including jointly, a controlling or relative majority stake, or having voted for a slate presented by them;
- maintaining or having maintained commercial, financial (where not part of a financial body's typical activity), or professional relationships in the recent past;
- the inclusion in the minority slate of candidates who are or have recently held positions as executive directors or senior executives of the controlling or majority shareholder(s), or of companies affiliated with their respective groups.



Statutory Auditors are elected according to Article 35 of the By-Laws, as follows:

*“The procedure for electing Statutory Auditors is as follows:*

- A. *from the slate which obtained the highest number of votes in the Shareholders’ Meeting (“**Majority Slate**”) two Statutory Auditors and one Alternate Auditor shall be elected based on the numerical order of the slate;*
- B. *from the slate that obtained the second largest number of votes at the Shareholders’ Meeting (“**Minority Slate**”), and which is not related in any manner, even indirectly, with the Majority Slate and/or the Shareholders that presented or voted for the Majority Slate, the remaining Statutory Auditor and Alternate Auditor shall be elected based on the numerical order of candidates on the Minority Slate;*
- C. *in the event of a tie between slates, the slate submitted by the shareholders holding the largest shareholding, or subordinately by the largest number of shareholders, shall prevail;*
- D. *if the Board of Statutory Auditors thus formed does not ensure compliance with current legislation on gender balance, the last candidate elected from the Majority Slate shall be replaced by the first candidate not elected from the same slate belonging to the under-represented gender. Where this is not possible, the standing member of the under-represented gender is appointed by the Shareholders’ Meeting by statutory majority, replacing the last candidate from the Majority Slate;*
- E. *where only one or no slate is presented, the Statutory and Alternate Auditors elected are all the candidates for the office indicated on the slate or, where no slate is received, those voted by the Shareholders’ Meeting, provided they receive a majority of the votes cast at the Shareholders’ Meeting. In any case, compliance with applicable *pro tempore* legislation on gender balance shall be ensured.*

*The Chairperson of the Board of Statutory Auditors shall be the first candidate on the Minority Slate”.*

#### Appointment of the Chairperson of the Board of Statutory Auditors

Where only one slate is presented, the Shareholders’ Meeting is invited to appoint the first candidate listed in the section of candidates for the position of Statutory Auditor on the single slate as Chairperson of the Board of Statutory Auditors. Where a minority slate is presented, the Shareholders’ Meeting is invited to appoint the first candidate listed in the section of candidates for the position of Statutory Auditor on the slate as Chairperson of the Board of Statutory Auditors.

#### Determination of the relative remuneration

In addition to the appointment of the Board of Statutory Auditors, the Shareholders' Meeting is called to consider the allocation of the annual remuneration of the members of the Board of Statutory Auditors for the entire duration of their mandate. We note that, in accordance with the recommendations outlined in the Corporate Governance Code, the remuneration of the members of the Board of Statutory Auditors is appropriate to the competence, professionalism and commitment required by the importance of the role covered and the size and sector characteristics of the company and its situation.



The remuneration of the outgoing Board of Statutory Auditors was set by the Shareholders' Meeting on April 30, 2021, at Euro 38,000 annually for the Chairperson and Euro 28,000 annually for each of the other Statutory Auditors.

In addition, in compliance with the Code of Conduct for the Board of Statutory Auditors of listed companies issued by the Italian Accounting Organisation (CNDCEC) in December 2023, we note that the outgoing members of the Board of Statutory Auditors submitted a self-assessment report on their individual profiles and the functioning of the Board itself on March 1, 2024. In this report, the Board assessed the adequacy and proportionality of the remuneration of the Auditors, considering the effort expended, not only in board meetings but also through participating in meetings with the Board of Directors and internal Board committees.

Given the Company's decision to only allow Shareholders to participate in the Shareholders' Meeting through the designated agent, and not to physically attend and participate in the meeting, it would be impractical for individuals to present their own proposed motions during the meeting. In this regard, the outgoing Board of Directors deemed it appropriate to formulate a proposal for the remuneration of Statutory Auditors for the entire duration of their mandate, with a view to better protecting Shareholders' rights to information and the ability to vote through the designated agent in general.

This is without prejudice, in any event, to the right of vote-holders representing, including jointly, at least one-fortieth of the share capital to submit resolution proposals on matters already on the agenda, pursuant to Article 126-*bis* of the CFA and Article 17 of the By-Laws.

Taking into account the observations outlined in the report presented by the Board of Statutory Auditors, and after consulting the Appointments and Remuneration Committee, the Board of Directors proposes to the Shareholders to approve an annual gross remuneration of Euro 38,000.00 for the Chairperson of the Board of Statutory Auditors and an annual gross remuneration of Euro 28,000.00 for each of the other Statutory Auditors, in line with the compensation received in the expiring three-year period.

\* \* \*

### Proposals

Considering that stated above, we present the following proposal:

*"The Shareholders' Meeting of Garofalo Health Care S.p.A, meeting in ordinary session,*

- *considering the provisions of Article 34 of the By-Laws concerning the number of members of the Board of Statutory Auditors and their duration of office;*
- *taking into account the self-assessment report submitted by the outgoing members of the Board of Statutory Auditors, in consultation with the Appointments and Remuneration Committee;*

*resolves to*

*establish the total annual gross remuneration due to the members of the Board of Statutory Auditors in accordance with the proposal described above, and thereby assign an annual gross remuneration of Euro 38,000.00 to the Chairperson of the Board of Statutory Auditors for the duration of office; and an annual gross remuneration of Euro 28,000.00 to each of the other Statutory Auditors for the duration of office"*



We therefore invite Shareholders to:

- (a) *vote for one of the slates to be presented by the Shareholders in compliance with the legal and statutory provisions, as mentioned above;*
- (b) *if only one slate is presented, appoint as the Chairperson of the Board of Statutory Auditors the candidate listed first in the section of candidates for the position of Statutory Auditor on the single slate; if a minority slate is present, acknowledge the appointment of the Chairperson of the Board of Statutory Auditors as the person listed first in the section of candidates for the position of Statutory Auditor on that slate;*
- (c) *establish the total gross annual remuneration due to the members of the Board of Statutory Auditors in accordance with the proposal described above, thereby allocating (i) an annual gross remuneration of Euro 38,000.00 to the Chairperson of the Board of Statutory Auditors for the duration of office; and an (ii) an annual gross remuneration of Euro 28,000.00 to each of the other Statutory Auditors for the duration of office.*

Rome, March 14, 2024

**The Chairperson of the Board of Directors**

**Alessandro Maria Rinaldi**



**ILLUSTRATIVE REPORT**  
**OF THE BOARD OF DIRECTORS**  
**FOR THE ORDINARY AND EXTRAORDINARY SHAREHOLDERS' MEETING**  
**OF APRIL 29, 2024**  
**EXTRAORDINARY SESSION**

**1. Amendments to Articles 15, 19, 30, and 36 of the By-Laws. Resolutions thereon.**

Dear Shareholders,

With regard to the only extraordinary item on the agenda, the Board of Directors presents and submits for your approval proposals to amend Articles 15, 19, 30, and 36 of the By-Laws to render the functioning of the corporate bodies more effective and efficient.

The proposals outlined below are based, among other matters, on Law No. 21 of March 5, 2024, ("Capital Law"), which contains "*Measures aimed at bolstering capital competitiveness and delegates to the Government the task of comprehensively reforming the provisions on capital markets outlined in the consolidated text referred to in Legislative Decree No. 58 of February 24, 1998, in addition to the provisions on capital companies contained in the Civil Code, which are also applicable to issuers*". This law provides, *inter alia*, for the incorporation into Legislative Decree No. 58 of February 24, 1998 ("**CFA**"), after Article 135-*undecies*, of a new Article 135-*undecies*.1 – entitled "Participation in Shareholders' Meetings via a Designated Agent" – which allows listed companies to stipulate in their By-Laws that Shareholders' participation in Shareholders' Meetings and the exercise of their voting rights occur exclusively through an agent designated by the company pursuant to Article 135-*undecies* of the CFA.

As you are aware, over the past four financial years (2020, 2021, 2022, and 2023), and also with reference to the current financial year due to extension provided by Article 106, paragraph 7 of Decree Law No. 18 of March 17, 2020 (converted, with amendments, by Law No. 27 of April 24, 2020), as provided for by Article 11, paragraph 2 of the Capital Law, the Company took advantage of the organisational and operational concessions introduced by the extraordinary regulations concerning participation at Shareholders' Meetings and the exercise of Shareholders' rights. The Company's experience in this regard was positive, demonstrating that the extraordinary regulations did not result in decreased shareholder participation in the Shareholders' Meeting, nor did they prevent Shareholders from exercising their rights fully and effectively (in line with the general market for Italian listed companies, as highlighted by the data released by Consob).

On this occasion, the Board of Directors presents and submits for your approval additional, less impactful, proposals to amend the current text of the By-Laws, seeking to render the functioning of the corporate bodies more effective and efficient.

Taking this into account, the Board of Directors deemed it appropriate to submit the following amendments to Articles 15, 19, 30 and 36 of the By-Laws to your approval. Specifically, with the amendment to Article 19 of the By-Laws, we propose to introduce a provision whereby the Board of Directors shall be called upon to designate, for each Shareholders' Meeting, the entity through which Shareholders may exclusively participate in the meeting and exercise their voting rights, supplying this agent with voting instructions for all or some of the agenda items, in full compliance with the applicable legal and regulatory framework from



time to time. However, the possibility will remain for the Board – for each Shareholders' Meeting – to alternatively provide that (i) the designated agent collects Shareholders' proxies on a non-exclusive basis, pursuant to Article 135-*undecies* of the CFA, thereby allowing Shareholders to decide whether or not to use this channel to participate and exercise their voting rights, or (ii) there is no agent designated by the Company pursuant to Articles 135-*undecies* and 135-*undecies.1* of the CFA, thereby allowing only Shareholders to participate on their own behalf or through their own proxies, in accordance with the law. We note that the proposed amendment to the By-Laws does not fall within any of the cases of withdrawal under the terms of the applicable legal and regulatory provisions and/or the By-Laws.

We also note that the updated version of the By-Laws, should this proposal be amended or approved, will be registered and published within the terms and in the manner prescribed by law.

The full text of the By-Laws is made available with the publication of this Illustrative Report on the Company's website. The following is a summary of the proposed amendments to Articles 15, 19, 30 and 36 of the By-Laws

By-Laws - Current Version	By-Laws - Proposed Amendments
<b>Article 15</b>	
The Shareholders' Meeting is called by the Board of Directors or by the other parties entitled to attend.	<i>Unchanged</i>
Calling by Shareholder request is not permitted for those matters on which the Shareholders' Meeting passes resolutions, as prescribed by law, on proposals of the Directors or in relation to a project or report prepared by the Board.	<i>Unchanged</i>
Without prejudice to the application of any special laws concerning companies with shares listed on regulated markets, the Ordinary Shareholders' Meeting must be called at least once a year, within 120 (one hundred and twenty) days of the end of the financial year. If the company is required to prepare consolidated financial statements or if particular needs relating to the company's structure and purpose so require, the Ordinary Shareholders' Meeting may be called within 180 (one hundred and eighty) days of the end of the financial year. In such cases, the Directors shall indicate the reasons for the delay in the Directors' Report.	<i>Unchanged</i>
The Shareholders' Meeting shall be held at the registered office or elsewhere, including outside the municipality where the registered office is located, provided that it is in Italy or another country of the European Union. The Shareholders' Meeting shall be called in accordance with the terms and procedures established by law and the relevant applicable regulatory provisions.	<b>Without prejudice to the provisions of Article 19, paragraph 5 below,</b> ¶the Shareholders' Meeting shall be held at the registered office or elsewhere, including outside the municipality where the registered office is located, provided that it is in Italy or another country of the European Union. The Shareholders' Meeting shall be called in accordance with the terms and procedures established by law and the relevant applicable regulatory provisions.





<b>Article 19</b>	
<p>The right to attend and vote at the Shareholders' Meeting shall accrue to the holders of the Shares on the seventh trading day prior to the date of the Shareholders' Meeting (or on such other date as may be specified by applicable <i>pro tempore</i> legislation).</p>	<p>The right to attend (<b>subject to the provisions outlined in following paragraphs</b>) and vote at the Shareholders' Meeting shall accrue to the holders of the Shares on the seventh trading day prior to the date of the Shareholders' Meeting (or on such other date as may be specified by applicable <i>pro tempore</i> legislation).</p>
<p>Persons entitled to attend and vote at the Shareholders' Meeting may be represented by another person, natural or legal, including non-members, by means of a written proxy in the cases and within the limits set out by law and by the applicable regulatory provisions. This proxy may be communicated electronically by certified e-mail or by using the relevant section of the Company's website and by any other notification method provided for in the call notice, in compliance with the applicable legal and regulatory provisions.</p>	<p><b>Subject to the provisions outlined in the following paragraphs</b>, persons entitled to attend and vote at the Shareholders' Meeting may be represented by another person, natural or legal, including non-members, by means of a written proxy in the cases and within the limits set out by law and by the applicable regulatory provisions. This proxy may be communicated electronically by certified e-mail or by using the relevant section of the Company's website and by any other notification method provided for in the call notice, in compliance with the applicable legal and regulatory provisions.</p>
<p>The Company does not avail itself of the option set out in Article 135-<i>undecies</i>, paragraph 1 of the CFA, concerning the "joint representative".</p>	<p><del>The Company does not avail itself of the option set out in Article 135-<i>undecies</i>, paragraph 1 of the CFA, concerning the "joint representative".</del></p> <p>For each Shareholders' Meeting, the Board of Directors designates the agent through which Shareholders may exclusively participate in the Shareholders' Meeting and exercise their voting rights, pursuant to Article 135-<i>undecies</i>.1 of the CFA and in accordance with the provisions of current legislation, granting proxies with voting instructions for all or some agenda items. The proxy thereby conferred is valid only for the proposals on which voting instructions are provided. The designated party may also be granted proxies or sub-proxies pursuant to Article 135-<i>novies</i> of the CFA, in derogation of Article 135-<i>undecies</i>, paragraph 4, of the CFA. The designated agent, the procedures and deadlines for granting proxies, in addition to the terms and methods for submitting requests and proposals for resolution by eligible parties, are detailed in the Shareholders' Meeting call notice.</p> <p>As an exception to the provisions of the previous paragraph, the Board of Directors, may, for each Shareholders' Meeting, specify in the respective call notice convening the meeting that (i) the designated agent mentioned in the preceding paragraph collects proxies from Shareholders on a non-exclusive basis, pursuant to Article 135-<i>undecies</i> of the CFA, or (ii) there is no designated agent appointed by the Company under Articles 135-<i>undecies</i> and 135-<i>undecies</i>.1 of the CFA.</p>





<p>Participants may attend Ordinary and Extraordinary Shareholders' Meetings by means of teleconferencing and videoconferencing, provided that their identification can be guaranteed, that they are able to actively take part in the discussion of the issues under consideration and to cast their vote in real time, as well as to receive, transmit and view documents. Their ability to view and pass resolutions simultaneously must also be guaranteed, and the audio and/or video locations in which the participants may be connected by the Company must be indicated and/or communicated; however, the Chairperson of the Shareholders' Meeting and the Secretary must be present in the location chosen for the meeting. In such cases, the Shareholders' Meeting shall be deemed to have been held at the place where the Chairperson and the Secretary or the Notary Public are present. The method of telecommunication shall be recorded in the minutes.</p>	<p>Participants may attend Ordinary and Extraordinary Shareholders' Meetings by means of teleconferencing and videoconferencing, provided that their identification can be guaranteed, that they are able to actively take part in the discussion of the issues under consideration and to cast their vote in real time, as well as to receive, transmit and view documents. Their ability to view and pass resolutions simultaneously must also be guaranteed, and the audio and/or video locations in which the participants may be connected by the Company must be indicated and/or communicated; <del>however, the Chairperson of the Shareholders' Meeting and the Secretary must be present in the location chosen for the meeting.</del> In such cases, the Shareholders' Meeting shall be deemed to be held at the location of <b>the Chairperson and the Secretary or, where the minutes must be prepared by a Notary Public, at the latter's location.</b> The method of telecommunication shall be recorded in the minutes.</p>
<p><b>Article 30</b></p>	
<p>The Board of Directors is convened at the Company's registered office or elsewhere by the Chairperson or - in case of his/her absence or impediment - by the person who takes his/her place pursuant to Article 28 above. The Board of Directors may also be called, upon notice to its Chairperson, by the Board of Statutory Auditors or by each Statutory Auditor individually.</p>	<p><i>Unchanged</i></p>
<p>The Board is convened by sending a registered letter with return receipt, telegram or certified email (PEC) or e-mail with confirmation of receipt to be sent at least 5 (five) days before the date set for the meeting. In urgent cases, the call may be made by registered letter (including hand delivery), telegram, fax, certified e-mail (PEC) or e-mail message with confirmation of receipt to be sent to each Director and each Statutory Auditor at least 2 (two) days before the date set for the meeting.</p>	<p><i>Unchanged</i></p>
<p>Irrespective of the completion of the above-mentioned calling formalities, the Board of Directors is validly constituted with the presence of all the Directors and Statutory Auditors in office.</p>	<p><i>Unchanged</i></p>
<p>Board meetings are chaired by the Chairperson or, in his/her absence or impediment, by the person who takes his/her place pursuant to Article 28 above.</p>	<p><i>Unchanged</i></p>
<p>Where deemed necessary by the Chairperson, Board meetings may be validly held via video or audio conferencing, provided that the participants may be properly identified by the Chairperson and the other attendees and, further, that they may follow the discussion and take the floor in real time on all the topics</p>	<p><del>Where deemed necessary by the Chairperson,</del> Board meetings may be validly held via video or audio conferencing, provided that the participants may be properly identified by the Chairperson and the other attendees and, further, that they may follow the discussion and take the floor in real time on all the topics</p>



under discussion, and that they can both examine and receive documentation relating to those topics, and that all such matters are specifically included in the relevant minutes. In this case, the Board of Directors meeting is considered to be held where the Chairperson, or whoever is taking his/her place, and the Secretary or the Notary who drew up the minutes are located.	under discussion, and that they can both examine and receive documentation relating to those topics, and that all such matters are specifically included in the relevant minutes. In this case, the Board of Directors meeting is considered to be held <b>at the location of the Chairperson (or whoever is taking his/her place) and the Secretary or, where the minutes must be prepared by a Notary Public, at the latter's location.</b>
The deliberations of the Board shall be recorded in a special minute book and shall be signed by the Chairperson of the meeting and the Secretary.	<i>Unchanged</i>
<b>Article 36</b>	
The Board of Statutory Auditors shall meet at least every 90 (ninety) days. Where deemed necessary by the Chairperson, meetings of the Board of Statutory Auditors may be validly held via video or audio conferencing, provided that the participants may be properly identified by the Chairperson and the other attendees and, further, that they may follow the discussion and take the floor in real time on all the topics under discussion, and that they can both examine and receive documentation relating to those topics, and that all such matters are specifically included in the relevant minutes. If all the above-mentioned conditions are complied with, the meeting of the Board of Statutory Auditors shall be deemed to have been held in the place where the Chairperson is present.	The Board of Statutory Auditors shall meet at least every 90 (ninety) days. <del>Where deemed necessary by the Chairperson,</del> meetings of the Board of Statutory Auditors may be validly held via video or audio conferencing, provided that the participants may be properly identified by the Chairperson and the other attendees and, further, that they may follow the discussion and take the floor in real time on all the topics under discussion, and that they can both examine and receive documentation relating to those topics, and that all such matters are specifically included in the relevant minutes. If all the above-mentioned conditions are complied with, the meeting of the Board of Statutory Auditors shall be deemed to have been held in the place where the Chairperson is present.

We therefore submit for your approval the following motion:

*“The Shareholders’ Meeting of Garofalo Health Care S.p.A, meeting in extraordinary session,*

- *having heard and noted the information set out by the Board of Directors;*
- *having examined the Illustrative Report prepared by the Board of Directors pursuant to Article 72 of Regulation No. 11971 approved by Consob with resolution dated May 14, 1999, in accordance with the instructions contained in Annex 3A, Schedule 3, of the Issuers’ Regulation;*

*resolves*

- i) *to amend the text of Articles 15, 19, 30, and 36 of the By-Laws and to approve their new wording as outlined in the Board of Directors’ Illustrative Report, attached to this resolution, such that it forms an integral part thereof.*
- ii) *to grant the Board of Directors and, on its behalf, the Chairperson and the Chief Executive Officer in office, jointly and severally and with the power to delegate, all broader powers necessary or appropriate from time to time to adopt this resolution, with all powers thereto, including that of making any changes or additions to these minutes and the By-Laws, as may be required for registration with the Companies Register, in addition to deposit the updated text of the By-Laws pursuant to Article 2436, paragraph 6, of the Civil Code.*



Rome, March 14, 2024

**The Chairperson of the Board of Directors**

**Alessandro Maria Rinaldi**



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