

**ESSENTIAL INFORMATION (THE “ESSENTIAL INFORMATION”) PURSUANT TO ARTICLE 122 OF LEGISLATIVE DECREE DATED FEBRUARY 24, 1998 NO. 58 (THE “CFA”) AND ARTICLES 130 AND 131 OF THE REGULATION ADOPTED WITH CONSOB RESOLUTION NO. 11971 ON MAY 14, 1999 (THE “ISSUERS’ REGULATIONS”)**

*The following Essential Information represent an update, pursuant to and for the purposes of Article 131 of the Issuers’ Regulations, of the essential information published on September 20, 2022. Hereinafter, the parts integrating or reformulating the essential information published on September 20, 2022 are indicated in underlined bold.*

**Background**

On June 16, 2022, San Quirico S.p.A. (“**San Quirico**” or “**SQ**”), a company whose share capital is entirely owned by Unione Fiduciaria S.p.A. on behalf of the members of the Garrone family and the Mondini family, and its subsidiary Polcevera S.r.l. (“**Polcevera**”), on one side, and Net Zero Infraco S.à r.l., (“**HoldCo**”, or “**Net Zero Infraco**”), a company controlled by the investment fund IFM Net Zero Infrastructure Fund, SCSp, managed by IFM Investor Pty Ltd (the “**IFM Fund**”), on the other side, entered into an investment agreement (the “**Investment Agreement**”) setting forth the terms and conditions of a transaction aimed at establishing a long-term partnership between SQ and the IFM Fund concerning ERG S.p.A. (“**ERG**” or the “**Target**”) (the “**Transaction**”). The Investment Agreement included certain provisions of a shareholders’ nature relevant pursuant to Article 122, paragraph 5, letters b) and c) of the CFA (the “**Shareholders’ Provisions**”).

In this respect, please note that, on September 15, 2022 (the “**Closing Date**”), pursuant to the provisions of the Investment Agreement – as previously supplemented by the Designation Notice, as defined below and last modified on September 8, 2022 – the Transaction has been completed and, in particular:

- (i) the sale to NZF Bidco Luxembourg 2 S.à r.l. (“**NZF BidCo**” or the “**Investor**”) – a corporate vehicle indirectly controlled by HoldCo which, upon designation by HoldCo, made in accordance with the provisions of the Investment Agreement by sending specific designation notice (the “**Designation Notice**”), as from July 29, 2022, in accordance to the Designation Notice, had acquired all the rights and assumed, all the obligations granted to HoldCo under the Investment Agreement – of a stake in the share capital of ERG: (a) equal to 6.905%, by Polcevera (respectively, the “**PLC Stake**” and the “**PLC Disposal**”) and (b) equal to 10.852%, by SQ (respectively, the “**First SQ Stake**” and the “**First SQ Disposal**”) has been completed;
- (ii) the contribution in kind, in favour of SQ Renewables S.p.A., a holding company incorporated by NZF BidCo and SQ on August 1, 2022 (“**SQR**”), of: (a) the PLC Stake and the First SQ Stake, by NZF BidCo and (b) a stake in the share capital of ERG equal to 40.68%, by SQ (the “**Initial SQ Stake**”) (the “**First Contribution**”) has been completed, pursuant to a deed of contribution entered into by and between SQR (as transferee company), on one side, and NZF Bidco and SQ (as transferring companies) on the other side (the “**First Contribution Deed**”);
- (iii) the sale, by (i) SQ to NZF BidCo, of the remaining 4.128% stake in the share capital of ERG (respectively, the “**Second SQ Stake**” and the “**Second SQ Disposal**”) and (ii) the subsequent contribution in kind of the Second SQ Stake acquired by NZF BidCo into SQR (the “**Second Contribution**”) have been completed, pursuant to a deed of contribution entered into by and between SQR (as transferee company), on one side, and NZF Bidco (as transferring company) on the other side (the “**Second Contribution Deed**”); and
- (iv) the shareholders’ agreement (the “**Shareholders’ Agreement**”), regulating the relationship between SQ and NZF BidCo as shareholders of SQR has been entered into by: (i) SQ, (ii) NZF Bidco, (iii) NZF Topco Luxembourg 2 S.à r.l. (“**Investor ParentCo**” or “**ParentCo**”), a company established under the laws of the Grand Duchy of Luxembourg (indirectly controlled by HoldCo and, in turn, indirectly controlling NZF Bidco), having its registered offices in Boulevard d’Avranches no. 32-36, L-1160, Luxembourg, Grand Duchy of Luxembourg, and (iv) SQR (it being understood that Investor ParentCo

and SQR are parties to the Shareholders' Agreement for the sole purposes of certain provisions thereof **and, in particular, the Investor ParentCo for the purposes of the provisions relating to the Put Option, as defined below, and other provisions related thereto**, has become effective as from the Closing Date. In particular, the Shareholders' Agreement sets forth certain rules regulating, *inter alia*, the corporate governance of SQR and ERG as well as (i) the transferability regime of the shares which are owned (a) with regard to SQR, by SQ and the Investor and (b) with regard to ERG, by SQR [and (ii) any follow-on investments by the Investor to support ERG's activities and strategic plans (the "**Follow on Investments**")].<sup>1</sup>

- (v) the Shareholders' Provisions of the Investment Agreement have been fulfilled and have thus ceased to be effective.

**On April 9, 2024, the closing of the Put Option (as defined below), which was exercised, pursuant to the provisions contained in the Shareholders' Agreement, by SQ towards the Investor ParentCo – which, in turn, subsequently designated the Investor to perform the purchase - took place, whereby SQ sold no. 1,400,000 Class A Shares (as defined below) to the Investor (the "Put Option Closing"), all as governed by a separate sale and purchase agreement (the "SPA"). As a result of the Put Option Closing, the no. 1,400,000 Class A Shares were converted, according to SQR's by-laws, into an equal number of Class B Shares (as defined below).**

**The SPA provides for the undertaking of the parties to perform the following activities within 45 business days: (i) to execute the revised Shareholders' Agreement, in accordance with the form attached to the SPA, in order to adjust its contents as a result of the Put Option Closing (the "Revised Shareholders' Agreement"), (ii) to convene the extraordinary shareholders' meeting of SQR to approve the amendments to SQR's by-laws resulting from the Put Option Closing and aimed at adapting the same by-laws to the Revised Shareholders' Agreement, and (iii) to cause the execution of a separate agreement whereby SQ, the Investor, SQR and the Investor ParentCo acknowledge that the Investor ParentCo will no longer be a party to the Revised Shareholders' Agreement since the provisions containing rights and/or obligations related to the Investor ParentCo have ceased to apply (the "SPA Commitments").**

In light of the above, as a consequence of the completion of the Transaction, the direct and indirect shareholding previously held by SQ in the share capital of ERG (equal to about 62.533%) is currently held by SQR, whose shareholder base, **following the exercise of the Put Option**, comprises a **51%** shareholding held by SQ and a **49%** shareholding held by the Investor.

Therefore, **also following the Closing of the Put Option**, SQ still remains the sole controlling entity of SQR and, in turn, of ERG for the purposes of, *inter alia*, (x) applicable mandatory tender offer rules and (y) "IFRS 10 – Consolidated Financial Statement".

Pursuant to the Shareholders' Agreement, the Investor has been granted with certain minority rights aimed at protecting its investment in SQR, without affecting said ability of SQ to exercise sole control on SQR (and, indirectly, on ERG) from a legal and accounting perspective.

## **1. Type of Shareholders' Agreement**

The Shareholders' Agreement, **the SPA Commitments and the Revised Shareholders' Agreement** contain certain provisions falling within the scope of Article 122, paragraphs 1 and 5, letters b) and c) of the CFA, which are disclosed in this Essential Information.

## **2. Company whose financial instruments are subject to the Shareholders' Agreement**

The companies whose financial instruments are subject to the Shareholders' Provisions are:

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<sup>1</sup> **Provisions in square brackets will cease to apply upon execution of the Revised Shareholders' Agreement (as defined below).**

- (i) ERG S.p.A., a company incorporated under the laws of Italy, having its registered office in Genova, Via De Marini no. 1, registered with the Companies' Register of Genova under no. 94040720107, share capital equal to Euro 15,032,000, divided into no. 150,320,000 ordinary shares listed on the "Euronext Milan" regulated market organized and managed by Borsa Italiana S.p.A.;
- (ii) San Quirico S.p.A., a company incorporated under the laws of Italy, having its registered office in Genova, Via Martin Piaggio no. 17/4, registered with the Companies' Register of Genova under no. 04469810966, share capital equal to Euro 175,011,600; and
- (iii) SQ Renewables S.p.A., a company incorporated under the laws of Italy having its registered office in Genova, Via Martin Piaggio no. 17/4, registered with the Companies' Register of Genova under no. 02831170994, whose share capital, **following the exercise of the Put Option**, is owned as follows: (i) no. **5,100,000** special class shares named "class A shares", with no par value, representing **51%** of the share capital of SQR and entitling to an equal number of voting rights, held by SQ (the "**Class A Shares**") and (ii) no. **4,900,000** special class shares named "class B shares", with no par value, representing **49%** of the share capital of SQR and entitling to an equal number of voting rights, held by the Investor (the "**Class B Shares**"). For the sake of clarity, following the completion of the Transaction, SQR holds no. 94,000,000 shares in the share capital of ERG, corresponding to an aggregate 62.533% stake (the "**SQR Stake in ERG**").

### 3. Voting rights related to the total number of shares granted

The Shareholders' Agreement contains undertakings concerning:

- (i) all of ERG's shares currently held by SQR, equal to no. 94,000,000 shares corresponding, in aggregate, to 62.533% of the current share capital of ERG – in respect of which, as a consequence of the completion of the Transaction, the Increased Voting Rights previously accrued have ceased<sup>2</sup> – which, as of the Date of this Essential Information, carry an equal number of voting rights and are deposited with Monte Titoli S.p.A. Pursuant to the Shareholders' Agreement, following the completion of the closing, SQR filed a request for registration in the Special List established by ERG for the purposes of the Increased Voting Rights;
- (ii) all of SQ's shares held by the relevant shareholders; and
- (iii) all the shares of SQR are held by SQ and the Investor (*i.e.*, the Class A Shares and the Class B Shares).

### 4. Parties to the Shareholders' Agreement

The Parties to the Shareholders' Agreement are, as detailed in the Background section:

- (i) San Quirico S.p.A., with registered office in Via Martin Piaggio no. 17/4, Genova, registered with the Companies' Register of Genova under no. 04469810966, share capital equal to Euro 175,011,600, which holds the Class A Shares; and
- (ii) NZF Bidco Luxembourg 2 S.à r.l., a company incorporated under the laws of the Grand Duchy of Luxembourg, having its registered office in **Boulevard d'Avranches** no. **32-36, L-1160**, Luxembourg, Grand Duchy of Luxembourg, corporate capital equal to 12,000.00, which holds the Class B Shares; and, in respect of certain specific provisions of the Shareholders' Agreement only

<sup>2</sup> For the purposes of this Essential Information:

- (i) "**Increased Voting Rights**" means the right disciplined by Article 127-*quinquies*, paragraph 2, of the CFA, provided for under ERG's by-laws, that allows shareholders registered with a special list, following an uninterrupted 24-month holding period, to benefit from two voting rights per ERG share registered therein.
- (ii) "**Special List**" means the special list where the shareholders of ERG register their relevant shares in order to gain, following an uninterrupted 24-month holding period, the increased voting right disciplined by Article 127-*quinquies*, paragraph 2, of the CFA and by the ERG's by-laws, that allows such shareholders to benefit from two voting rights per share registered;

- (iii) NZF Topco Luxembourg 2 S.à r.l., a newly-incorporated company under the laws of the Grand Duchy of Luxembourg, having its registered offices in Rue de Bitbourg no. 9, 1273, Luxembourg, Grand Duchy of Luxembourg, which holds, indirectly, the entire share capital of Investor and, in turn, is controlled, indirectly, by HoldCo; and
- (iv) SQ Renewables S.p.A., with registered office in Via Martin Piaggio no. 17/4, Genova, registered with the Companies' Register of Genova under no. 02831170994 which holds no. 94,000,000 ERG shares, corresponding to an aggregate 62.533% stake.

**Upon the execution of the separate agreement by SQ, the Investor and SQR, as provided under the SPA Commitments, Investor ParentCo will cease to be a party of the Revised Shareholders' Agreement, since the provisions entailing rights or obligations upon it will cease to apply.**

## **5. Agreements having a shareholder nature contained in the Shareholders' Agreement**

### **5.1 Key Governance Principles**

San Quirico and Investor (for the purposes of the Shareholders' Agreement, jointly, the "**Parties**") mutually agree on their common purpose and firm intention that ERG: (i) continues to be listed on the Euronext Milan market managed and organised by Borsa Italiana S.p.A. ("**Euronext Milan**"); (ii) continues to be controlled, also under an IFRS 10 – *Consolidated financial statements* point of view, solely by San Quirico, (iii) maintains an efficient corporate governance pattern, in compliance with, and leveraging on, the best practices and standards of governance applicable to domestic and foreign public listed companies of comparable size, (iv) remains subject to a limited and selected direction and coordination activity exercised by SQR in accordance with the regulation concerning the exercise by SQR of the selective direction and coordination activity over ERG (named "*Selective D&C Regulation*"), approved by the board of directors of SQR on the Closing Date, in relation to limited matters (the "**D&C Regulation**").

The Parties also acknowledge and agree that nothing provided in the Shareholders' Agreement shall be intended or construed as conferring upon SQR and/or either of the Parties any right to interfere with the ordinary management of ERG.

Notwithstanding anything to the contrary in the Shareholders' Agreement, the Parties also agree, *inter alia*, that (i) ERG and its subsidiaries (the "**ERG Group**") shall be managed by a highly specialised management team which shall be well received by the institutional investors, leveraging on the professionalism at the various organizational level of the internal resources of the ERG Group and (ii) share the view that the key performance indicators for the compensation of the ERG top management and executive directors should include growth and sustainability objectives in line with the relevant best practices, as applied from time to time.

Each Party shall, *inter alia*, (i) exercise its voting and other rights as shareholder of SQR in order (insofar as it is able to do so through the exercise of such rights) to give full effect to the provisions of the Shareholders' Agreement and (ii) procure, to the maximum extent permitted under applicable laws, that any director appointed from time to time in SQR and/or ERG upon designation of the respective Party pursuant to the Shareholders' Agreement shall exercise his/her voting rights, as well as any other power and authority granted to him/her/them, in order to give full effect to the provisions of the Shareholders' Agreement, it being understood that: (a) each director of SQR and/or ERG shall maintain her/his independence and her/his fiduciary duties under applicable law and, notwithstanding any provisions in the Shareholders' Agreement to the contrary, he/she shall not in any way be liable towards the Parties for having voted inconsistently with the Parties' indications and recommendations; and (b) each Party shall remain liable towards the other Party, pursuant to the provisions of Article 1381 of the Civil Code, in case any director appointed from time to time in SQR and/or ERG, upon their respective designation, exercises his/her voting rights and other powers and authorities contrarily to the provisions of the Shareholders' Agreement.

It is agreed and understood that: (i) the Parties and/or any of the entities respectively falling within the definition of "Affiliate" under the Shareholders' Agreement (hereinafter, the "**Affiliates**" and each one,

individually, an “**Affiliate**”) (including the IFM Fund but other than (x) ERG, (y) the IFM Fund’s investors or managed accounts, and (z) other funds managed and/or advised by the IFM Fund or its Affiliates (and such other funds’ investors or managed accounts)) shall not directly purchase or come to hold any ERG share and/or voting rights in relation thereto (the “**Stapled Securities**”) by more than 2.5% of the outstanding shares of ERG from time to time (the “**Stapled Securities Threshold**”); and (ii) if any of the Parties and/or their Affiliates (including the Fund but other than (x) ERG, (y) the Fund’s investors or managed accounts, and (z) other funds managed and/or advised by IFM or its Affiliates (and such other funds’ investors or managed accounts)) directly purchases or comes to hold Stapled Securities within the Stapled Securities Threshold, then (a) the voting rights attached to the Stapled Securities shall be exercised in accordance with the provisions of the Shareholders’ Agreement and (b) the Stapled Securities shall be treated as if they were part of the SQR Stake in ERG.

## 5.2 *By-Laws of SQR*

The Parties acknowledge and agree that the corporate purpose of SQR – as described in the By-Laws of SQR entered into force on the Closing Date – is limited to the holding, the management and the purchase and/or disposal (in compliance with the provisions set out under the Shareholders’ Agreement) of the ERG shares held by it from time to time.

**As stated in the introductory section, pursuant to the SPA Commitments, the Parties will cause an extraordinary meeting of SQR to be convened to approve the amendments to SQR’s by-laws resulting from the completion of the Put Option Closing and aimed at adapting the by-laws to the Revised Shareholders’ Agreement.**

## 5.3 *Board of Directors and Officers of SQR*

For the entire duration of the Shareholders’ Agreement, the board of directors of SQR (the “**SQR Board of Directors**”) shall be composed of 7 members to be designated as follows:

- (a) 4 directors by San Quirico (the “**SQ SQR Directors**”); and
- (b) 3 directors by the Investor (the “**Investor SQR Directors**”), that shall not be granted with executive powers (except for the chief financial officer, when to be appointed among the Investor SQR Directors, as better detailed below).

The members of the SQR Board of Directors will be appointed for three financial years, and they may be re-appointed upon expiration of their office.

The Parties agree that, *inter alia*, the director(s) which intend(s) to call the SQR Board of Directors shall consult with the chief executive officer and the chief financial officer on the date and time of such meeting, so to allow, to the extent reasonably possible, the participation of directors designated by both SQ and the Investor.

The chairman of the SQR Board of Directors shall be appointed by the SQR Board of Directors, upon designation of SQ, among the SQ SQR Directors. The chairman shall have no casting vote.

The chief executive officer of SQR shall be appointed by the SQR Board of Directors, upon designation of SQ, among the SQ SQR Directors. SQR Shareholders shall procure – to the extent permitted under applicable laws and each within its own competence – that the SQ SQR Directors and the Investor SQR Directors respectively designated by them vote in favor of the appointment of, and/or however retain, the chief executive officer of SQR so selected by SQ. Upon such appointment, the SQR Board of Directors shall grant the chief executive officer of SQR with the appropriate delegated powers.

The chief financial officer of SQR shall be appointed by the SQR Board of Directors, upon designation of the Investor, among the Investor SQR Directors. SQR Shareholders shall procure – to the extent permitted under applicable laws and each within its own competence – that the SQ SQR Directors and the Investor SQR Directors respectively designated by them vote in favor of the appointment of, and/or however retain, the chief

financial officer of SQR so appointed by the Investor. Upon such appointment, the SQR Board of Directors shall grant the chief financial officer of SQR with the appropriate delegated powers. It is however understood that, at any time, the Investor shall have the right to designate, at its sole discretion, a new chief financial officer of SQR, which is not a member of the SQR Board of Directors (the “**New CFO**”), by appointing an external candidate to be selected in accordance with the criteria set forth in the Shareholders’ Agreement and the identity of which shall be disclosed – in writing and in advance – by the Investor to SQ. In such a case, SQR shall hire the New CFO, which shall therefore become an employee thereof.

The above provisions (as better detailed in the Shareholders’ Agreement) shall apply to the extent the Investor holds an aggregate stake (also taking into account the stake held by any Permitted Transferee, as defined below) in SQR in excess of or equal to the 25% of SQR share capital (the “**First Governance Threshold**”). Should its aggregate stake (also taking into account the stake held by any Permitted Transferee, as defined below) be comprised between 16% of SQR share capital (the “**Second Governance Threshold**”) and the First Governance Threshold (less one share), then 6 SQ SQR Directors will be designated by San Quirico and 1 Investor SQR Director will be designated by the Investor. In case the Investor’s stake in SQR falls below the Second Governance Threshold, then all Investor SQR Directors of SQR will be designated by San Quirico.

In case of reduction of the Investor’s stake below the First Governance Threshold or the Second Governance Threshold, as the case may be, the Investor shall procure the immediate resignation(s) of the Investor SQR Director(s) designated by it and, pursuant to Article 2386, paragraph 1, of the Civil Code, the SQR Board of Directors will appoint new director(s), so as to give full effect to the above provisions.

Should a director designated and appointed in accordance with the above provisions resign or, otherwise, cease for any reason whatsoever to hold his/her office, then, the Party which designated the ceased director shall be entitled to designate the new director in order to preserve the composition of the SQR Board of Directors set out above.

Any director or officer designated in accordance with the provisions set forth under the Shareholders’ Agreement can be removed (with or without cause), from time to time, and at any time, by SQR’s shareholders’ meeting or SQR Board of Directors meeting (as the case may be), upon request of the Party which designated him/her. The requesting Party shall indemnify SQR and/or the other Party against any claims or actions which the removed director or officer may, respectively, advance or bring in connection with such removal.

#### **5.4 Board of Statutory Auditors of SQR**

For the entire duration of the Shareholders’ Agreement, the board of statutory auditors of SQR (the “**SQR Board of Statutory Auditors**”) shall be composed as follows:

- (a) 2 standing members and 1 alternate member shall be designated by San Quirico; and
- (b) 1 standing member, who will act as chairman of the Board of Statutory Auditors, and 1 alternate member shall be designated by the Investor.

In case of reduction of the Investor’s stake below the First Governance Threshold, the Investor will lose the right to appoint any auditor and shall use its best efforts to procure their resignation and replacement with auditors designated by San Quirico.

Should any standing and/or alternate auditor designated in accordance with the provisions set forth under the Shareholders’ Agreement resign or, otherwise, cease for any reason whatsoever to hold his/her office prior to the expiry of the terms thereof, the Party which designated the ceased auditor shall designate the new auditor in order to preserve the composition of the board of statutory auditors set out above.

#### **5.5 Resolutions of the Shareholders’ Meeting of SQR**

The decisions of the shareholders’ meeting of SQR on the following matters shall only be validly taken by the shareholders’ meeting of SQR (whether on first call, second call or in plenary form, to the extent permitted by applicable law) with the presence and favorable vote of the Investor (the “**SQR Shareholders’ Vetoed**”

**Matters”):**

- (a) changes to the corporate purpose (“*oggetto sociale*”);
- (b) merger, demerger, liquidation, reorganization (*trasformazione*), bankruptcy or similar proceedings (except as required by law);
- (c) acquisition by SQR of treasury shares, except if the acquisition of treasury shares of SQR is carried out in the event SQ intends to sell to SQR part of its shares in SQR following the completion of the disposal of ERG Shares pursuant to the following Paragraph 5.20 of this Essential Information (the “**ERG Disposable Stake**”);
- (d) issuance of any shares or securities (including bonds) convertible in ERG shares and/or SQR shares;
- (e) variation in the share capital or amendment of voting rights attached to SQR shares, except for (i) the cases under Articles 2446 or 2447 of the Civil Code, [(ii) any capital increase reserved to the Investor in connection with any Follow on Investments (as defined below), and (iii) any Carved-Out Capital Increases (where “**Carved-Out Capital Increase**” means a rights issue of SQR (*aumento di capitale in opzione*) necessarily and concurrently meeting certain conditions set forth under the Shareholders’ Agreement)]<sup>3</sup>;
- (f) any change to the Agreed Dividend Policy (as defined below) and/or distributions of dividends and/or reserves different from what is included in the Agreed Dividend Policy (as defined below);
- (g) appointment or change of the external auditors; and
- (h) amendments to SQR By-Laws that would (x) materially impair the exercise of the minority protection rights of Investor under the Shareholders’ Agreement or (y) trigger the shareholders’ withdrawal right according to applicable laws.

The above provisions (as better specified in the Shareholders’ Agreement) shall apply to the extent the Investor holds a stake in SQR in excess of or equal to the First Governance Threshold. Should its stake be comprised between the Second Governance Threshold and the First Governance Threshold (less one share), then the above provisions shall immediately cease to apply and the SQR Shareholders’ Vetoed Matters shall be intended to include exclusively (i) capital increases of SQR without pre-emption right (*aumenti di capitale riservati*), (ii) changes to the corporate purposes (*oggetto sociale*), (iii) amendments to SQR By-Laws that would (x) materially impair the exercise of the minority protection rights of Investor as provided under the Shareholders’ Agreement pursuant thereto (limited to those minority protection rights of Investor that remain unaffected in case its stake is comprised between the Second Governance Threshold and the First Governance Threshold (less one share)), or (y) trigger the shareholders’ withdrawal right according to applicable law (including the transfer of the registered office of SQR abroad).

Under no circumstances, even in the case referred to under letter (c) above, the Investor shall come to hold a stake in SQR in excess of 49% (forty-nine percent) of SQR’s share capital.

### **5.6 Resolutions of the Board of Directors of SQR**

Any resolution concerning the exercise of the voting rights and/or other rights attached to the SQR Stake in ERG shall be reserved to the competence of the SQR Board of Directors and shall not be delegated to any member of the SQR Board of Directors.

Decisions of the SQR Board of Directors relating to the following matters shall (i) not be delegated to any members of the SQR Board of Directors and (ii) shall require the presence and the favorable vote of at least 1 (one) Investor SQR Director and 1 (one) SQ SQR Director (“**SQR Board Vetoed Matters**”):

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<sup>3</sup> **Provisions within square brackets will cease to apply upon execution of the Revised Shareholders’ Agreement.**

- (a) voting instructions to SQR's representatives in the shareholders' meeting of ERG in respect of any of following matters (the "ERG Shareholders' Meeting Vetoed Matters"):
- i. changes to the corporate purpose ("*oggetto sociale*");
  - ii. mergers and demergers (but excluding mergers and partial proportional demergers pursuant to Articles 2505 and 2505-*bis* of the Italian Civil Code), liquidation, bankruptcy or similar proceedings (except as required by law);
  - iii. authorization to the purchase of treasury shares, to the extent the relevant resolution materially deviates from those adopted by ERG ordinary shareholders' meeting in 2020, 2021 and 2022 (exception being made for any deviation that is consequence of change in the applicable laws);
  - iv. any variation in the share capital of ERG (or rights attached to ERG shares) and/or issue of ERG shares, except for (x) in the cases under Articles 2446 or 2447 of the Italian Civil Code, (y) the issuance of ERG shares is aimed at servicing incentive plans addressed to ERG directors and/or employees of the ERG Group approved after the Closing Date, provided that the underlying plans are adopted in compliance with the ERG remuneration policy as approved by ERG shareholders' meeting from time to time and that the maximum amount of ERG shares to be issued to service such plans does not exceed 2% of the share capital of ERG on a fully-diluted basis; and (z) rights issues ("*umenti di capitale in opzione*"), provided that the relevant subscription price is not below the fair market value of ERG shares, to be calculated in accordance with the criteria set forth in the Shareholders' Agreement;
  - v. without prejudice to any equity incentive plans pursuant to the above provisions, any issue of securities (including bonds) convertible in ERG shares;
  - vi. any change to the Agreed Dividend Policy (as defined below) and/or distributions of dividends or reserves different from what is included in the Agreed Dividend Policy (as defined below);
- (b) issue of bonds, assumption of guarantees or financial indebtedness (including refinancing) and granting security, for an amount which would result in the existing indebtedness of SQR at that time to exceed, in aggregate, Euro 1,500,000, to be used for SQR's working capital and ordinary operations' needs;
- (c) grant of any security over ERG Shares;
- (d) transactions with related parties (as defined in Article 3, Paragraph 1, letter a), of the regulation on the transactions with related parties adopted by Consob with resolution no. 17221 dated March 12, 2010 (as subsequently amended and supplemented));
- (e) entering into any shareholders' agreement and/or any other agreement concerning ERG shares and/or the rights attached thereto or any security (including bonds) convertible in ERG shares;
- (f) without prejudice to any provision to the contrary under the Shareholders' Agreement, acquisition or disposal of ERG Shares, save for [(i) any subscription of newly-issued ERG shares that would be acquired by using the proceeds arising from the Investor's Follow on Investment (as defined below) and/or any Carved-Out Capital Increase and (ii)]<sup>4</sup> starting from the date falling on the 40<sup>th</sup> month following the Closing Date, disposal of ERG shares by SQR up to 1% (one percent) in the aggregate of the outstanding ERG share capital, provided that, after such sale(s), (x) the SQR Stake in ERG remains above 51% and (y) the voting rights attached to the SQR Stake in ERG, for any reason, remain above 66.67% of the aggregate voting rights at the time of each sale, and (z) the proceeds deriving from such sales(s) are distributed to SQ in accordance with the provisions set forth under the Shareholders' Agreement;
- (g) operating expenses pertaining to SQR in excess of Euro 375,000 per year;

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<sup>4</sup> **Provisions in square brackets will cease to apply upon execution of the Revised Shareholders' Agreement.**



- (h) capital expenses pertaining to SQR in excess of Euro 100,000 per year;
- (i) change of SQR accounting standards;
- (j) approval of the fair market value per SQR share for the purposes of acquisition by SQR of treasury shares, to the extent permitted under the Shareholders' Agreement;
- (k) issuance of any guidance to ERG in execution of the direction and coordination activity exercised by SQR in compliance with the D&C Regulation, as well as ending, and/or amending the terms and condition of, such direction and coordination activity exercised over ERG; and
- (l) proposals to the shareholders' meeting of SQR on any SQR Shareholders' Vetoed Matters.

The above provisions shall apply only to the extent the Investor holds a stake in SQR exceeding or equal to the First Governance Threshold. Notwithstanding the foregoing, should Investor's stake be comprised between the Second Governance Threshold and the First Governance Threshold (less one share), the SQR Board Vetoed Matters shall be intended to include exclusively those matters under letters (d) and (l).

### 5.7 *Deadlock*

If, at any time the SQR Board of Directors or SQR Shareholders meeting fails for 2 consecutive meetings to adopt a resolution on any of the SQR Board Vetoed Matters or SQR Shareholders' Vetoed Matters, as applicable, as a result of the Investor SQR Director(s) or the Investor not voting in favor of a resolution on the relevant matter (a "**Deadlock**"), the Parties undertake in good faith (i) to cooperate in case a Deadlock arises and (ii) to exercise their best efforts to resolve a Deadlock in accordance with the provisions of the Shareholders' Agreement.

### 5.8 *Composition of the Board of Directors of ERG*

[The Parties acknowledge that the board of directors of ERG is currently composed of 12 members and that, on the Closing Date, (i) one non-independent member of such board has resigned from the office, (ii) the board of directors of ERG has appointed by co-optation ("*cooptazione*") a new director designated by the Investor, which has been appointed as member of the Strategic Committee (as defined below). The Parties acknowledge that, upon the next ERG's shareholders' meeting, SQ shall procure that SQR exercises its voting rights so as to confirm the appointment as director of ERG of that person.

Starting from the first renewal of the board of directors of ERG after the Closing Date,<sup>5</sup> SQ shall procure that SQR exercises its voting rights in the ERG shareholders' meeting so that:

- (a) the board of directors of ERG is composed of 12 members and appointed through a voting slate system ("*meccanismo di voto di lista*") pursuant to the provisions set forth in the by-laws of ERG;
- (b) without prejudice to letters (c) and (d) below, in case at the date of submission of the slate of candidates prepared by SQR the Investor holds a stake in SQR in excess of the Second Governance Threshold, such slate shall include – in a position so as to guarantee his/her election – 1 candidate director designated by the Investor and all remaining candidates to be included in the slate will be designated by SQ;
- (c) in case at the date of submission of the slate of candidates prepared by SQR the Investor holds a stake in SQR comprised between the First Governance Threshold and 40% of SQR's share capital, such slate shall include – in a position so as to guarantee their election – 3 candidate directors designated by the Investor, of which (i) at least 1 candidate director would satisfy the independence requirements pursuant to applicable laws and the corporate governance code approved by the corporate governance committee of Borsa Italiana S.p.A., and (ii) at least 2 candidate directors being of the less represented gender pursuant to the law; all remaining candidates to be included in the slate will be designated by SQ;
- (d) in case at the date of submission of the slate of candidates prepared by SQR the Investor holds a stake in SQR in excess of 40% of SQR share capital, such slate shall include – in a position so as to guarantee

<sup>5</sup> **Provisions in square brackets will cease to apply upon execution of the Revised Shareholders' Agreement.**

their election – 4 candidate directors designated by the Investor, of which (i) at least 2 candidate directors would satisfy the independence requirements pursuant to applicable laws and the corporate governance code approved by the corporate governance committee of Borsa Italiana S.p.A., and (ii) at least 3 candidate directors being of the less represented gender pursuant to the law; all remaining candidates to be included in the slate will be designated by SQ.

### **5.9 Internal Committees of ERG**

SQ shall procure that:

- (a) except in case the Investor holds a stake in SQR below the Second Governance Threshold, 1 of the non-independent directors of ERG designated by the Investor is appointed as member of the strategic committee of ERG (“**Strategic Committee**”);
- (b) in case the Investor is entitled to designate 2 independent directors of ERG and at least 2 such independent directors have been effectively appointed as directors of ERG, each internal committee established by ERG that is composed exclusively by members of the board of directors shall include among its components 1 of the independent directors designated by the Investor;
- (c) in case the Investor is entitled to designate at least 1 independent director of ERG and at least 1 such independent director has been effectively appointed as director of ERG, the chairman on the nominations and remuneration committee of ERG (“**RemCo**”) shall be appointed among the independent director(s) designated by the Investor.

To the extent the circumstances under letter (b) and (c) above have occurred, the actual appointment of the independent director(s) designated by the Investor as member(s) of the aforesaid committees and/or chairman of the RemCo will occur upon the earliest of (i) the first renewal of the entire composition of the ERG board of directors after the Closing Date and (ii) the voluntary resignation(s) of current member(s) of the relevant committee(s).

### **5.10 Board of Statutory Auditors of ERG**

Starting from the first renewal of the board of statutory auditors of ERG following the Closing Date, SQ shall procure that SQR exercises its voting rights in the ERG’s shareholders’ meeting so that 1 standing auditor and 1 alternate auditor shall be designated by the Investor. To this end, in case of submission by SQR of a slate of candidates for the office of member of the board of the statutory auditors of ERG, the candidates designated by the Investor as standing auditor and alternate auditor shall be included in such slate as candidate no. 2, each one in the respective section of the slate submitted.

In case of reduction of the Investor’s stake below the First Governance Threshold, then the Investor will lose the right to appoint any standing auditor and shall use its best efforts to procure its resignation and replacement with an auditor designated by San Quirico.

Without prejudice to the above, should an auditor designated in accordance with the procedure set forth herein resign or otherwise cease from office, for any reason whatsoever, the Parties shall cooperate to ensure that the composition of the ERG board statutory auditors referred to above is preserved. To the extent applicable in compliance with the gender requirements set forth under the applicable laws and regulations, as well as provided for by the market’s best practices and the by-laws of ERG, from time to time, should a standing auditor designated by the Investor cease from its office for any reason and, according to the by-laws of ERG, the alternate auditor designated by SQ is required to take office as effective auditor, then SQ shall use its best endeavors to procure that the alternate auditor designated by SQ does not accept the office as effective auditor or resign from the office of alternate auditor so that the alternate auditor designated by the Investor can take office as effective auditor, it being understood that – in case of resignation of the alternate auditor designated by SQ – the Parties shall procure that a shareholders’ meeting of ERG resolves upon the appointment of 2 alternate auditors (1 designated by SQ and 1 designated by the Investor), in compliance with the by-laws of ERG.

### 5.11 *ERG Board of Directors' Resolutions*

The Parties agree that SQ shall procure that any resolutions on the following matters shall not be adopted by the board of directors of ERG unless with the presence and the favorable vote of at least 1 non-independent director of ERG designated by the Investor (the “**ERG Board Vetoed Matters**” and, together with the ERG Shareholders’ Meeting Vetoed Matters, the “**ERG Vetoed Matters**”):

- (a) acquisition or disposal of shareholdings and/or companies or business concerns (“*aziende*”) or participation to joint ventures or any investment in new greenfield projects in the renewable sector, exceeding the materiality thresholds or meeting the qualitative parameters set forth under the Shareholders’ Agreement;
- (b) issue of bonds, assumption of guarantees or new indebtedness (or refinancing of existing indebtedness) which would result in ERG having, on a consolidated basis, a leverage in excess of the higher of (i) the ratio between net leverage and funds from operations (“**Net Leverage/FFO Ratio**”), exceeding 4.2 and (ii) the maximum level of debt for ERG to remain investment grade rated;
- (c) any new capital expenditures not included, or any variation of the capital expenditures in relation to each single investment that determines the relevant investment to exceed more than 30% the value originally approved and included, in the annual plan for capital expenditures related to investment to be performed by ERG in a calendar year, subject to certain carve-outs and in accordance with the calculation formulas better detailed in the contractual documentation and agreed upon by the Parties;
- (d) capital expenditures that are not relating to the core business activities of ERG, in excess of 10,000,000;
- (e) Related Parties transactions – including those carried out by subsidiaries of ERG – exceeding the thresholds for *de minimis* transactions (“*operazioni di importo esiguo*”) as set out in ERG’s related-party transactions procedure in force as of the Closing Date, with the exception of transactions to which ERG’s related-party transactions procedure shall not apply pursuant to ERG’s related-party transactions procedure or the law;
- (f) proposals to the shareholders’ meeting of ERG on any ERG Vetoed Matter;
- (g) voting instructions to the representatives of ERG in the shareholders’ meeting of (i) ERG Power Generation S.p.A. and (ii) any other direct or indirect subsidiary of ERG meeting the criteria specified in the Shareholders’ Agreement (collectively, the “**Material Subsidiaries**”) concerning any of ERG Shareholders’ Meeting Vetoed Matters; and
- (h) issuance of guidance towards the Material Subsidiaries’ board of directors in respect of ERG Vetoed Matters.

The provisions set forth above shall apply only to the extent the Investor holds a stake in **SQR** in excess of or equal to the First Governance Threshold.

### 5.12 *Lock-up and restriction concerning Blacklisted Jurisdictions*

SQR By-Laws provides for a lock-up undertaking concerning the shares of SQR for a duration of 5 years from the Closing Date (the “**Lock-up Period**”), without prejudice to any Permitted Transfer (as defined below).

In any case, no Party may transfer any SQR shares to entities or persons subject to economic or financial sanctions as better identified under the Shareholders’ Agreement (a “**Sanction**”, it being understood that the word “**Sanctioned**” is construed accordingly) and/or located in any countries, from time to time, under sanctions imposed by European Union, USA, UK, United Nations Security Council or Italian Republic (“**Blacklisted Jurisdictions**”).

### 5.13 *Permitted Transfers*

The provisions of the Shareholders’ Agreement concerning, respectively, the lock-up undertaking during the Lock-up Period, the Right of First Offer (as defined below), the Tag-Along (as defined below) and the Drag-

Along (as defined below) shall not apply, at any time, including during the Lock-up Period, to any transfer by any of the Parties of all or part of their respective SQR shares (held from time to time) to any of their respective Affiliates (the “**Permitted Transfer**”), provided that:

- (a) as a condition precedent (“*condizione sospensiva*”) to the effectiveness of any Permitted Transfer to an Affiliate:
  - (i) the transferee Affiliate shall have undertaken in writing to transfer back all SQR shares or to transfer such shares to another transferee which is an Affiliate of the transferring Party in the event it ceases to be an Affiliate of such transferring Party for any reason whatsoever; it being understood that, in case the transfer is carried out as a transaction on the share capital of the transferring Party and/or the transferee Affiliate (including without limitation through a contribution in kind, merger, de-merger) and, at any time after the completion of the transfer, the transferee Affiliate ceases to be an Affiliate of the transferring Party, the transferring Party shall cause the transferee to transfer back the SQR shares or to transfer such shares to another transferee which is an Affiliate of the transferring Party. For the purposes hereof, the transfer agreement shall include a provision under which the transferring Party and/or the transferee Affiliate shall implement the steps necessary to perfect the abovementioned re-transfer or the transfer to another Affiliate; and
  - (ii) the transferring Party shall have procured that the transferee Affiliate adheres to the Shareholders’ Agreement as if it were a Party thereto, by entering into one or more specific deeds of adherence to the same, to be unconditionally and irrevocably bound by all the obligations of and succeed in all rights provided by the Shareholders’ Agreement applicable to the transferring Party, it being agreed that the transferring Party shall remain jointly and severally liable with the transferee Affiliate for the proper and timely performance of all its obligations arising from the Shareholders’ Agreement and, therefore, such transferee Affiliate and such transferring Party shall be deemed as a single Party pursuant to the Shareholders’ Agreement (provided that such joint and several liability will not operate in the event of a transfer by the Investor of all or part of its SQR shares in favour of another fund managed and/or advised by the IFM Fund, any subsidiaries of such other fund and/or Affiliates thereof);
- (b) such Permitted Transfer shall not release the transferring Party from any liability or obligation it may have under the Shareholders’ Agreement which has arisen or been incurred prior to the date of the Permitted Transfer, or which relates to any SQR shares that the transferring Party continues to own after the date of the Permitted Transfer; and
- (c) the Permitted Transfer is consummated by written agreement to be notified without delay to the other Party.

#### 5.14 *[Put Option and Follow on Investments*

SQ will have the option pursuant to Article 1331 of the Civil Code to sell to the Investor ParentCo, in one or two tranches, part of its stake in SQR (the “**Put Option**”) at a price to be determined in accordance with the criteria set forth in the Shareholders’ Agreement, it being agreed that Investor ParentCo may elect Investor to purchase the SQR shares that are subject to the Put Option (the “**Put Option Stake**”). The Put Option can be exercised by SQ (i) once on any day from the first to the last calendar day of the 18<sup>th</sup> month from the Closing Date and/or (ii) once on any day from the first to the last calendar day of 36<sup>th</sup> month from the Closing Date.

In addition, or in alternative to the exercise of the Put Option, SQ shall have the right to cause the Investor ParentCo (that shall be obliged) to underwrite one or more capital increases of SQR reserved to the Investor ParentCo (each, a “**Follow on Investment**”) – according to the terms and conditions set forth in the Shareholders’ Agreement – whose proceeds may be used for the following purposes: (i) purchasing ERG Shares on the market or over the counter; or (ii) subscribing future rights issues (“*umenti di capitale in opzione*”) resolved by ERG whose proceeds are, in turn, intended to be deployed to fund (x) transactions that fall within the ERG Board Reserved Matters or (y) transactions that do not fall within the ERG Board Reserved

Matters, but – in both cases under (x) and (y) – have been approved by the ERG’s competent body with the favorable vote of the Investor and/or of the non-independent ERG director designated by the Investor.

The SQR shares issued in favour of Investor ParentCo following the subscription of a Follow On Investment shall be subject to the governance and transfer provisions under the Shareholders’ Agreement, and the Investor ParentCo and Investor shall be deemed as a single Party pursuant to the Shareholders’ Agreement. Investor ParentCo further undertakes to transfer or contribute to the Investor such SQR shares within 2 business days from the issuance thereof.

The aggregate disbursement of the Investor or the Investor ParentCo as effect of the exercise(s) of the Put Option and/or the Follow on Investment, as the case may be, shall in any case not exceed Euro 500,000,000 (the “**Maximum Amount**”).

Under no circumstances any exercise(s) of the Put Option and/or of the Follow on Investment by SQ shall cause Investor to hold (together with its Affiliates, including Investor ParentCo) a stake in SQR in excess of 49% of the SQR share capital (or voting rights, if higher).

**On April 9, 2024, as a result of the Put Option Closing, SQ transferred no. 1,400,000 Class A Shares to the Investor, which were converted, pursuant to the by-laws of SQR, into the same number of Class B Shares as a result of the transfer.]<sup>6</sup>**

### 5.15 [Call Option

The Investor ParentCo will have the option pursuant to Article 1331 of the Civil Code to purchase from SQ, in one tranche, part of its stake in SQR (the “**Call Option**”) at a price to be determined in accordance with certain criteria set forth in the Shareholders’ Agreement, it being agreed that Investor ParentCo may elect Investor to purchase the SQR shares that are subject to the Call Option (in such latter case, for the avoidance of doubt, any reference made to Investor ParentCo herein shall be read, where appropriate, *mutatis mutandis*, as a reference to Investor). The Call Option can be exercised by the Investor ParentCo on any day from the first to the last calendar day of the 40<sup>th</sup> month from the Closing Date.

The Call Option cannot be exercised in case on the 34<sup>th</sup> month following the Closing Date the aggregate disbursement of the Investor or the Investor ParentCo as effect of the exercise(s) of the Put Option and/or the Follow on Investment (as defined below), as the case may be, exceeded 75% of the Maximum Amount.

The provisions regarding the Call Option shall not be applicable in the event that (i) notwithstanding the lock-up undertaking provided under the Shareholders’ Agreement, the Investor requests the consent of SQ to carry out a transfer of SQR shares which does not qualify as a Permitted Transfer pursuant to the Shareholders’ Agreement, and (ii) SQ having consented to such transfer, such transfer is duly completed by the Investor and has the effect that the Investor holds a stake in SQR below the Second Governance Threshold.

Under no circumstances any exercise of the Call Option shall cause Investor to hold (together with its Affiliates, including Investor ParentCo) a stake in SQR in excess of 49% of the SQR share capital (or voting rights, if higher).]<sup>7</sup>

### 5.16 Right of First Offer

Following the expiration of the Lock-up Period, and without prejudice to the provisions of the Shareholders’ Agreement regarding Permitted Transfers, Put Option, Call Option and Follow on Investment, any transfer – in whole or in part – of SQR shares by a Party (“**Selling Party**”) shall be subject to a right of first offer (the “**Right of First Offer**”) in favor of the other Party (“**Non-Selling Party**”) pursuant to the procedure set forth under the Shareholders’ Agreement.

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<sup>6</sup> **Provisions related to the Put Option and Follow on Investments in square brackets will cease to apply upon execution of the Revised Shareholders’ Agreement.**

<sup>7</sup> **Provisions related to the Call Option in square brackets will cease to apply upon execution of the Shareholders’ Agreement.**

In any event, it is agreed and understood that the Investor will be entitled to transfer SQR shares exclusively to a person other than (i) Sanctioned entities or entities belonging to a Blacklisted Jurisdiction; and (ii) any “Competitor”, as defined under the Shareholders’ Agreement; and (iii) industrial entities which generate more than 20% of their revenues in the oil&gas and mining sectors, it being understood that, for the sake of clarity, limb (iii) shall not include any investment fund or institutional investors (including infrastructure funds, pension funds, sovereign wealth funds, insurance companies, funds of funds, endowments and foundations, asset managers) even in case in which such fund or institutional investors hold, directly or indirectly, interests or other financial instruments (including participation of investment funds) in one or more company in the oil&gas and mining sectors.

Before agreeing to transfer, in whole or in part, its SQR shares (the “**Shares for Sale**”) to any person other than a transferee under a Permitted Transfer, the Selling Party shall give notice in writing to the Non-Selling Party specifying (i) its intention to transfer, (ii) the number of Shares for Sale and (iii) an invitation to the Non-Selling Party to formalize a binding purchase offer of the Shares for Sale under the terms and conditions set out below (the “**Transfer Notice**”).

The Non-Selling Party shall be entitled to submit to the Selling Party an offer (the “**First Offer**”) for the purchase of all, and not less than all, the Shares for Sale by sending a written notice (the “**First Offer Notice**”) within 37 business days, under penalty of forfeiture, from the receipt of the Transfer Notice (the “**First Offer Exercise Period**”).

If, within the First Offer Exercise Period, (i) no First Offer is submitted by the Non-Selling Party or (ii) the Non-Selling Party submits a First Offer, but the Selling Party does not accept expressly and in writing the First Offer within the First Offer Acceptance Period, then, in both circumstances under limbs (i) and (ii) above, the Selling Party shall – subject to the below – be free to Transfer the Shares for Sale (and exclusively the Shares for Sale) to any person (the “**Prospective Transferee**”), provided however that (a) the SQR price per share offered by the Prospective Transferee is higher than the SQR price per share offered by the Non-Selling Party in its First Offer and (b) the Prospective Transferee adheres to the Shareholders’ Agreement as if it were a Party hereto by entering into one or more specific deeds of adherence to the Shareholders’ Agreement, thus becoming unconditionally and irrevocably bound by all the obligations of and succeed in all rights provided thereby, it being agreed that, should the Shares of Sale represent less than all SQR shares held by the Selling Party, such Prospective Transferee and such Selling Party shall be deemed as a single Party pursuant to the Shareholders’ Agreement.

In case the Selling Party **becomes** entitled to sell the Shares for Sale to the Prospective Transferee pursuant to the provisions above, thus shall give the Non-Selling Party appropriate notice with regards to such transfer (“**Third Party Transfer Notice**”). In this case, the provisions regarding the Tag-Along (as defined below) shall apply in respect of the Investor’s CoC Tag-Along Right or the Proportional Tag-Along Right (both as defined below), as the case may be, except in case of delivery to the Investor of a Third Party Transfer Notice whereby is exercised by SQ its Drag-Along Right (as defined below), in which event the relevant provisions shall instead apply.

It remains understood that all the above provisions shall be applicable to the case where SQ is the Selling Party only to the extent the Investor holds a stake in SQR exceeding the Second Governance Threshold.

### **5.17 Tag-Along**

In the event of a prospective transfer of the Shares for Sale to a Prospective Transferee, should the Selling Party be SQ, following the delivery of the Third Party Transfer Notice and subject to (i) SQ not having already exercised its Drag-Along Right (as defined below) and (ii) the Investor not having exercised its Right of First Offer, the Investor shall have the right to transfer to the Prospective Transferee, at the price per SQR share offered by the Prospective Transferee for the acquisition of the Shares for Sale (the “**Third Party Price**”):

- (a) all (and not less than all) SQR shares held by the Investor, if the proposed transfer of the Shares for Sale to the Prospective Transferee by SQ would result in SQ losing the control over SQR (the “**CoC Tag-**

**Along Right**"); or

- (b) a percentage of all SQR shares held by the Investor corresponding to the percentage represented by the Shares for Sale in respect of all SQR shares held by SQ, if the proposed transfer of the Shares for Sale to the Prospective Transferee by SQ would not result in SQ losing the control over SQR (the **"Proportional Tag-Along Right"**)

(the SQR shares of the Investor referred to in limbs (a) or (b) above are defined, as the case may be, as the **"Tag-Along Shares"**),

on the same terms and conditions indicated in the Third Party Transfer Notice delivered by SQ.

The CoC Tag-Along Right or the Proportional Tag-Along Right, as the case may be, shall be exercised by the Investor within 20 business days (under penalty of forfeiture) from receipt of the Third Party Transfer Notice, by sending a written communication to SQ (the **"Tag-Along Notice"**) indicating the Investor's undertaking to Transfer to the Prospective Transferee its Tag-Along Shares at the Third Party Price and on the same terms and conditions indicated in the Third Party Transfer Notice (including, *mutatis mutandis* and proportionally, any price adjustments and any representation and warranty and indemnification obligations).

In case of exercise by the Investor of the CoC Tag-Along Right or the Proportional Tag-Along Right, as the case may be, SQ shall procure that the Prospective Transferee acquires the Tag-Along Shares of the Investor:

1. simultaneously with, and at the same place as, the closing of the transfer of the Shares for Sale by SQ to the Prospective Transferee; and
2. at the Third Party Price and on the same terms and conditions indicated in the Third Party Transfer Notice (including, *mutatis mutandis* and proportionally, any price adjustments and any representations and warranties and indemnification obligations).

In the event the Prospective Transferee refuses to acquire the Tag-Along Shares, then SQ shall promptly communicate such event to the Investor and shall have the right, at its sole discretion and within 20 business days from such communication, either to: (i) reduce the number of the Shares for Sale to allow the sale to the Prospective Transferee of all (and not less than all) the Tag-Along Shares (but for the avoidance of doubts, as far as the Proportional Tag-Along Right is concerned, such reduction shall operate so that, ultimately, the percentage of all SQR shares held by the Investor to be sold to the Prospective Transferee corresponds to the percentage of all SQR shares held by SQ actually sold to such Prospective Transferee); or (ii) purchase, at the Third Party Price per SQR share, all (and not less than all) the Tag-Along Shares which are not purchased by the Prospective Transferee; or (iii) waive in writing the envisaged transfer of the Shares for Sale to the Prospective Transferee.

It remains understood that all the provisions above shall be applicable irrespective of the threshold of stake in SQR held by the Investor and, therefore, even in case the Investor holds a stake in SQR below the Second Governance Threshold.

### **5.18 Drag-Along**

Starting from the 7<sup>th</sup> anniversary of the Closing Date, in the event of a prospective transfer of the Shares for Sale to a Prospective Transferee pursuant to the above provisions and notwithstanding the Tag-Along, upon delivery of the Third Party Transfer Notice, should: (i) the Selling Party be SQ; and (ii) the Shares for Sale represent all (and not less than all) SQR shares held by SQ, SQ shall be entitled to require the Investor to transfer, and the Investor shall be irrevocably and unconditionally obligated to transfer, all (and not less than all) SQR shares held by the Investor (the **"Drag-Along Shares"**), in accordance with the provisions set out under the Shareholders' Agreement (the **"Drag-Along Right"**) and, *inter alia*, at a price which shall be the higher of (a) the Third Party Price and (b) the price that would allow the Investor to achieve a minimum return on the investment to be calculated on the basis of a certain return rate on the investment itself.

The Drag-Along Right shall be exercised by SQ (under penalty of forfeiture) with a communication to such

effect, which will be contained in the Third Party Transfer Notice.

In case of exercise by SQ of the Drag-Along Right, SQ shall procure that the Prospective Transferee acquires the Drag-Along Shares of the Investor simultaneously with, and at the same place as, the closing of the transfer of the Shares for Sale by SQ to such Prospective Transferee, it being however understood that the Investor shall be required to make fundamental representations and warranties on title and capacity only.

For the sake of clarity, in case SQ does not exercise the Drag-Along Right, the Investor shall be then entitled to possibly exercise the CoC Tag-Along Right or the Proportional Tag-Along Right (as the case may be).

#### **5.19 Investor's Right of First Offer on ERG shares**

Any transfer of ERG Shares (the "**ERG Shares for Sale**") by SQR shall be subject to a right of first offer in favor of the Investor (the "**Investor's Right of First Offer**") pursuant to the provisions below and, therefore, no transfer of ERG Shares shall be consummated unless and until the procedure set out under the Shareholders' Agreement is carried out.

Before the transfer of the ERG Shares for Sale, SQR shall give notice in writing to the Investor specifying (i) its intention to proceed with such a transfer, (ii) the number of ERG Shares for Sale and (iii) an invitation to the Investor to formalize a binding purchase offer of the ERG Shares for Sale under the terms and conditions set out below (the "**ERG Transfer Notice**").

The Investor shall be entitled to submit to SQR an offer (the "**Investor's First Offer**") for the purchase of all, and not less than all, the ERG Shares for Sale by sending to SQR a written notice (the "**Investor's First Offer Notice**") within 37 business days, under penalty of forfeiture, from the receipt of the ERG Transfer Notice (the "**Investor's First Offer Exercise Period**").

If, within the Investor's First Offer Exercise Period, (i) no Investor's First Offer is submitted by the Investor or (ii) the Investor submits an Investor's First Offer, but SQR does not accept expressly and in writing the Investor's First Offer within the period specified under the Shareholders' Agreement (the "**First Offer Acceptance Period**"), in both circumstances under limbs (i) and (ii) above, SQR shall – subject to the below – be free to transfer the ERG Shares for Sale (and exclusively the ERG Shares for Sale) to any person (the "**ERG Shares' Prospective Transferee**") provided however that the price per ERG share offered by such person for the purchase of the ERG Shares for Sale (the "**ERG Shares' Third Party Price**") is higher than the price per ERG share offered by the Investor for the purchase of all, and not less than all, the ERG Shares for Sale (the "**Investor's First Offer Price**").

In the events set forth above, SQR shall be entitled to transfer the ERG Shares for Sale to any person (including on Euronext Milan or through an over the counter transaction) provided that (i) the price of the sale of such ERG Shares for Sale to a person other than the Investor can be completed only for a price per share higher than the Investor's First Offer Price (ii) the relevant transfer is completed within 30 business days from the end of the First Offer Acceptance Period and (iii) SQR promptly provides evidence of the circumstances under limbs (i) and (ii) above to the Investor.

It remains understood that all the provisions of the Shareholders' Agreement regarding the Investor's Right of First Offer on ERG shares shall be applicable only to the extent the Investor holds a stake in SQR exceeding the Second Governance Threshold.

#### **5.20 ERG Disposable Stake**

In the event SQ intends to sell to SQR part of its shares in SQR as a result of the completion of the disposal of the ERG Disposable Stake: (i) SQ shall send a notice to Investor and SQR to communicate its intention to procure the sale of the ERG Disposable Stake by SQR (the "**Disposal Notice**"); (ii) within 10 business days from the receipt of such notice, Investor has the right, to submit to SQ a firm, unconditional offer (the "**ERG Disposable Stake Offer**") indicating the price per ERG Share at which the Investor would acquire the ERG Disposable Stake; (iii) SQ has the right, within 15 business days from receipt of the ERG Disposable Stake Offer:



- (a) to accept the ERG Disposable Stake Offer, in which case Investor will acquire a number of SQR Shares to be determined based on the equivalent Euro consideration that the Investor would be ready to pay for the ERG Disposable Stake and the SQR FMV (as defined under item (iii) below); or
- (b) to decline the ERG Disposable Stake Offer, in which case the procedure set out in the following items (i) to (iii) shall apply, provided that any such sale of ERG Shares is completed within 15 business days from the decision of SQR to decline the ERG Disposable Stake Offer;
  - (i) the SQR Board of Directors shall take all necessary actions to execute the sale of the ERG Disposable Stake indicated in the Disposal Notice;
  - (ii) no later than 15 business days after the completion of the sale of the ERG Disposable Stake, the SQR Board of Directors shall take all necessary actions to convene and hold an ordinary and extraordinary shareholders' meeting of SQR to resolve upon the authorization to the purchase of SQR's treasury shares from SQ (up to an amount and at a price calculated pursuant to item (iii) below) and the authorization to the subsequent cancellation of such SQR treasury shares, as well as the consequent amendment of the SQR By-Laws, that shall be effective upon completion of the repurchase of such SQR treasury shares;
  - (iii) the proceeds that have arisen from the completion of the sale of the ERG Disposable Stake (net of the taxes on capital gain and other taxes and costs to be paid by SQR in relation to the transfer of ERG Shares and the relevant SQR treasury shares) shall then be used by SQR to carry out the repurchase of an amount of the relevant SQR treasury shares equal to the net proceeds of the sale of ERG Disposable Stake divided by the SQR FMV per Share (where "**SQR FMV per Share**" means the fair market value of the equity of SQR, divided per the total number of outstanding SQR shares at that time, as yearly determined by SQR board of directors – based on an independent appraiser's evaluation jointly selected by Investor and SQ – with the favorable vote of at least 1 Investor SQR Director, it being agreed between the Parties that in case the Investor SQR Director does not vote in favor thereof, the SQR FMV per Share shall be determined pursuant to procedure set forth under Article 13 of the Shareholders' Agreement).

### **5.21 Transfers of Equity Interests in SQ**

The Parties expressly acknowledge and agree that, as a general principle and notwithstanding anything to the contrary as provided under the Shareholders' Agreement, any of the SQ Shareholders shall be, at any time, free to transfer, directly or indirectly, in whole or in part, their stakes in the share capital of SQ, provided that:

- (c) the relevant transfer(s) are carried out in favor of:
  - 1) one or more SQ Shareholders; and/or
  - 2) other persons and/or entities (with the exclusion of Sanctioned entities and/or entities sitting in Blacklisted Jurisdictions), to the extent that such persons and/or entities shall not be vested, at any time, with any governance or other administrative rights concerning SQR and/or ERG; and, in any event
- (d) the precise identity of such persons and/or entities shall be communicated in writing to the Investor at least 30 business days before execution of any of such transfer(s),

It is further agreed that, where any of such transfer(s) entails a change of control of SQ, the provisions described below shall apply.

### **5.22 Change of control of SQ with MTO**

In case, at any time, following any transfers of stakes in the share capital of SQ, a mandatory takeover offer over ERG Shares is launched pursuant to the applicable laws (and, in particular, Article 45 of the Issuers' Regulation) as a consequence of a change of control of SQ (the "**MTO**"):

- (a) if SQR Board of Directors resolves to tender all the SQR ERG Stake to such MTO and the relevant

resolution is adopted with the attendance and the favorable vote of at least 1 Investor SQR Director, then the Parties shall cause SQR to be put into voluntary liquidation upon successful completion of the MTO, bearing pro quota any winding-up costs connected therewith, and the proceeds of the sale of the SQR ERG Stake to the MTO shall be distributed to the Parties in proportion to their holding stakes in SQR;

- (b) if SQR Board of Directors (i) does not resolve upon the decision to adhere to the MTO within 5 business days from the final approval of the offer document by the competent stock market authority, or (ii) is convened and resolves not to adhere to such MTO but at least 1 Investor SQR Director casts his/her contrary vote in respect of such resolution, then the Investor will have the option pursuant to Article 1331 of the Civil Code to sell to SQ, in a single tranche, all (and not less than all) the SQR shares held by it (the “**SQR Put Option Stake**”), at a price per SQR share computed in accordance with the formula set forth under the Shareholders’ Agreement.

### **5.23 Change of control of SQ without MTO**

In case, at any time and for any reasons, the SQR shares held by SQ are no longer the main asset (as per Article 45, Paragraph 4, of the Issuers’ Regulation) owned by SQ itself and SQ Shareholders intend to pursue any transactions entailing a change of control of SQ (the “**Relevant Transaction**”), then:

- (a) SQ Shareholders shall execute a partial proportional demerger of SQ before completing the Relevant Transaction as effect of which the entirety of the shares of SQR held by SQ shall be transferred to a legal entity (other than SQ), entirely owned by the shareholders of SQ (directly or through a fiduciary company), that will not be involved in the Relevant Transaction; in such a case, SQ shall deliver a written notice to the Investor, within 15 business days in advance of the resolution upon the partial proportional demerger, providing all the relevant details of the Relevant Transaction as well as of the terms and conditions of the partial proportional demerger (including, among others, the timing of such transaction) (the “**Demerger Notice**”); or, alternatively, at SQ Shareholders’ sole discretion
- (b) if no demerger as per letter (a) above is executed or if a Demerger Notice is duly delivered by SQ to Investor but the envisaged partial proportional demerger is not executed by SQ as provided in the Demerger Notice, the Investor shall have the option pursuant to Article 1331 of the Civil Code to sell to SQ, in a single tranche, the SQR Put Option Stake, at a price per SQR share to be calculated in accordance with the criteria set forth under the Shareholders’ Agreement (the “**Relevant Transaction Put Option**”).

The Relevant Transaction Put Option can be exercised by the Investor by serving to SQ a written notice within 12 business days: (i) from the date of delivery of the relevant written communication by which the SQ Shareholders notify the Investor that no demerger as per letter (a) above will be executed, or (ii) in case a Demerger Notice is duly delivered by SQ to Investor but the envisaged partial proportional demerger is not executed by SQ as provided in the Demerger Notice, from the date on which the resolution on such demerger should have taken place in accordance with the Demerger Notice, as better described under the Shareholders’ Agreement.

In case of exercise of the Relevant Transaction Put Option, as a consideration for the Transfer of the SQR Put Option Stake to SQ, SQ will pay to Investor a price per SQR share which shall be calculated in accordance with the provisions of the Shareholders’ Agreement.

### **5.24 Agreed Dividend Policy**

For the entire duration of the Shareholders’ Agreement, SQR and ERG shall comply with certain dividend policies (the “**Agreed Dividend Policy**”), as per what provided for under the respective business plans and in accordance with the principles detailed in the Shareholders’ Agreement.

### **5.25 No Other Agreements**

Each Party represents to the other Party that, except for the Shareholders’ Agreement and the Shareholders’

Provisions of the Investment Agreement – which have ceased to be effective, as anticipated in the Background section, as from the Date of Closing – **and for the SPA Commitments**, it has not entered into any shareholders’ agreement with any third party person concerning the governance of SQR and/or ERG or that has the effect of establishing for the benefit of such third party person rights as shareholder of SQR and indirect shareholders of ERG (any such agreement a “**Side Agreement**”); and (ii) any Party undertakes and covenants not to enter into any Side Agreement.

## **6. Duration of the Shareholders' Agreement**

The Shareholders’ Agreement became effective on the Closing Date and will remain in force until the date falling on the 3<sup>rd</sup> anniversary of the Closing Date.

The Shareholders’ Agreement shall be automatically renewed for further additional periods of 3 years unless terminated by any of the Parties by means of a written notice to be sent to the other Parties at least six months before the expiry of each term of the Shareholders’ Agreement.

Without prejudice to the foregoing, the Parties agree that, unless otherwise specified herein, should one of the Parties cease to be a shareholder of SQR, the Shareholders’ Agreement shall cease to be effective *vis-à-vis* such ceasing Party.

**Such provisions will not be amended by the Revised Shareholders’ Agreement.**

## **7. Filing of Shareholders’ Agreement and of the SPA Commitments and publication of Essential Information**

The agreements having a shareholders’ nature set out in the Shareholders’ Agreement were filed with the Genova Companies’ Register on September 20, 2022.

**The SPA Commitments were filed with the Genova Companies’ Register on April 12, 2024.**

This Essential Information is published, as updated, pursuant to Articles 130 and 131 of the Issuers’ Regulations, on ERG’s website (<https://www.erg.eu/it/corporate-governance/patto-parasociale>).

**April 12, 2024**