



## Centrale del Latte d'Italia S.p.A.

---

**DIRECTORS' REPORT** pursuant to Article 125-ter of Italian Legislative Decree No. 58 of 24 February 1998, as well as article 72 of the CONSOB Issuers' Regulation adopted with resolution no. 11971 of 14 May 1999, as subsequently amended and supplemented, on item 1.c on the agenda – extraordinary part – of the Shareholders' Meeting to be held at the registered office of the company Newlat Group S.A., located in Paradiso (Switzerland), Via Geretta 8, on first call, on 29 April 2024 at 10 am and if necessary on second call on 6 May 2024, same place and time.

---

**Centrale del Latte d'Italia S.p.A.** - Via Filadelfia 220 - 10137 Turin - Tax code and VAT no. 01934250018 - Share capital € 28,840,041.20 fully paid-in - CCIAA (Chamber of Commerce, Industry, Craft Trade and Agriculture) - Turin no. 520409 - Turin Court no. 631/77

This Report is made available at the registered office of the Issuer, in the centralised authorised storage mechanism called eMarket Storage and managed by Teleborsa S.r.l., available at [www.emarketstorage.com](http://www.emarketstorage.com), and on the Company's website at [www.centralelatteitalia.com](http://www.centralelatteitalia.com) (the "**Website**") on 20 March 2024.



## DIRECTORS' REPORT ON ITEM 1.C ON THE AGENDA – EXTRAORDINARY PART – OF THE SHAREHOLDERS' MEETING:

### 1. Amendments to the Articles of Association and related resolutions for:

#### c. the introduction of the rules for attending shareholders' meetings and exercising voting rights exclusively through the appointed representative pursuant to Article 135-undecies.1 of Italian Legislative Decree No. 58/98 (TUF), as introduced by Italian Law No. 21/2024.

Shareholders,

You have been called to this Extraordinary Shareholders' Meeting of Centrale del Latte d'Italia S.p.A. (the "**Company**") for the examination and approval of certain amendments to the company's articles of association (the "**Articles of Association**") relating to the introduction of rules for attending shareholders' meetings and exercising voting rights exclusively through the appointed representative pursuant to Article 135-undecies.1 of Italian Legislative Decree No. 58 of 24 February 1998 (Consolidated Law on Finance or "**TUF**"), introduced by Italian Law No. 21/2024 (the "**Capital Law**").

#### 1. Reasons for the proposed amendments to the articles of association

In order to ensure greater flexibility and efficiency in the organisation of Shareholders' Meetings, the Board of Directors proposes to amend Article 9 of the Articles of Association so as to:

- (i) provide the option for the Company to allow that the attendance and exercise of voting rights at the Shareholders' Meeting by those entitled to do so may also take place exclusively by proxy (or sub-delegation) of voting rights to the representative designated by the Company pursuant to the new Article 135-undecies.1 of the TUF, introduced by the Capital Law; and
- (ii) provide for the possibility that, in the event that attendance and voting take place exclusively through the designated representative of the Company, the participation of the designated representative and the other parties entitled to attend the Shareholders' Meeting may also take place exclusively by telecommunications (teleconferencing and video conferencing).

Given the common rationale underlying the proposed amendments, it is considered appropriate to explain them jointly.

The Capital Law, which was published in the Official Gazette on 12 March 2024 and entered into force on 27 March 2024, provides for the possibility for companies listed on a regulated market or admitted to trading on a multilateral trading system to provide for participation and voting at the shareholders' meeting through the exclusive use of a designated representative.

More specifically, Art. 11, paragraph 1, of the Capital Law inserts a new article into the TUF (Art. 135-undecies.1), which allows the aforesaid companies to provide in the articles of association (so-called opt-in) that the participation and exercise of voting rights in the shareholders' meeting for those entitled to vote take place exclusively by proxy (or sub-delegation) to the designated representative.

Moreover, during the emergency related to the COVID-19 pandemic, Article 106, paragraph 2, of Italian Decree-Law no. 18 of 17 March 2020, converted with amendments by Italian Law no. 27 of 24 April 2020, among other things regulated the possibility for joint-stock companies to envisage in the notice of call of ordinary or extraordinary shareholders' meetings, including as an exception to other provisions of the articles of association,

- the expression of votes by electronic means or by correspondence and participation in the shareholders' meeting by means of telecommunications; and
- that the shareholders' meeting be conducted, even exclusively, by means of telecommunications that guarantee the identification of the participants, their participation and the exercise of their voting rights, pursuant to and for the purposes of Article 2370, paragraph 4, of the Italian Civil Code, without the need for the chair, secretary or notary to be in the same place, where envisaged.

The same Article 11, paragraph 2, of the Capital Law postpones the deadline referred to in Article 106, paragraph 7, of Italian Decree-Law no. 18 of 17 March 2020, converted with amendments by Italian Law no. 27 of 24 April 2020, relating to the aforementioned procedures for the conduct of shareholders' meetings of companies and entities, to 31 December 2024.

During the epidemiological emergency caused by COVID-19, the Board of Directors positively assessed the increasing use of "remote" meetings, and in light of the general character that the principles reaffirmed by the Milan Board of Notaries<sup>1</sup> are considered to have taken on

<sup>1</sup> See Milan Board of Notaries, with Principle no. 187 of 12 March 2020 according to which:

- "Participation in the shareholders' meeting by means of telecommunications – where permitted by the articles of association pursuant to Article 2370, paragraph 4, of the Italian Civil Code, or in any event admitted by the applicable regulations – may apply to all the participants in the meeting, including the chair, it being understood that the secretary taking the minutes or the notary public must be at the place indicated in the notice of call, together with the person or persons appointed by the chair to ascertain those who are attending in person (unless such task is entrusted to the secretary taking the minutes or the notary public). Clauses in the articles of association requiring the presence of the chair and the secretary at the place of convocation (or at any rate in the same place) are generally to be understood as functional to the concurrent preparation of the meeting minutes, signed by both the chair and the secretary. They therefore do not prevent the meeting from being held with the participation of all participants by means of telecommunications,



(the scope of which is independent of the epidemiological emergency), deems it appropriate to propose the amendments to the Articles of Association under review in order to benefit from such more streamlined and flexible arrangements for holding and participating in meetings of the corporate bodies in the event that the Board of Directors stipulates in the notice of call that participation in the shareholders' meeting takes place solely through the designated representative.

In this regard, note that the Milan Board of Notaries<sup>2</sup> has also recently deemed legitimate those clauses in the articles of association of joint-stock companies that expressly grant the governing body the power to stipulate in the notice of call that the shareholders' meeting is to be held exclusively by means of telecommunications.

The Board of Directors intends to make use of the new regulation to facilitate shareholder participation by granting proxies or sub-delegations to a single representative designated by the Company, in this case allowing that the participation and voting of the designated representative, as well as the participation of the directors and other persons authorised to participate in the Shareholders' Meeting, take place also or exclusively by means of telecommunications, without the need for the Chair of the Shareholders' Meeting, the secretary or the notary to be in the same place.

In light of the foregoing, the Board of Directors intends to propose that you amend the Articles of Association in the terms set forth below.

## 2. Illustration of the proposed amendments to the articles of association

The purpose of the proposed amendment to Article 9 of the Articles of Association is to allow the Company's Board of Directors to:

- (i) establish within the notice of call that the participation and exercise of voting rights in the shareholders' meeting for those entitled to do so shall take place exclusively via proxy (or sub-delegation) granted to the designated representative, as permitted by Article 135-undecies.1 of the TUF introduced by the Capital Law.
- (ii) provide in the notice of call that, should the Board of Directors opt for the "mandatory" recourse to the designated representative, the participation in the shareholders' meeting by the entitled parties may also or only take place by means of suitable telecommunications if this is permitted by law and/or by the regulatory provisions in force from time to time, provided that the collective method and the principles of equal treatment of shareholders be respected.

## 3. Consequent amendments to the Articles of Association

As a result of the proposal, if approved, the following changes to the articles of association would be adopted, details of which can be found in the comparative table below.

**Amendments to the Articles of Association - comparison table**

Current text	Proposed amendment
<b>TITLE III</b> <b>Shareholders'</b> <b>Meeting Article 9 -</b> <b>Shareholders' Meeting</b>	<b>TITLE III</b> <b>Shareholders'</b> <b>Meeting Article 9 -</b> <b>Shareholders' Meeting</b>
<p>A shareholders' meeting is ordinary or extraordinary. Ordinary shareholders' meetings are convened by the Chair, one of the Deputy Chairs or by one of the Managing Directors at least once a year within 120 days after the end of the financial year to deal with the matters envisaged by law.</p>	<p>A shareholders' meeting is ordinary or extraordinary. Ordinary shareholders' meetings are convened by the Chair, one of the Deputy Chairs or by one of the Managing Directors at least once a year within</p>

in which case the minutes of the meeting may be subsequently drawn up, with the signature of the chair and the secretary, or with the signature of the notary alone in the case of minutes in public form"; and

- meetings of the board of directors and other corporate bodies of joint-stock companies may be "convened without indicating a physical place where the meeting is to be held, but providing only for participation by means of telecommunications", and if it is possible to participate in such meetings only by means of telecommunications, "the presence of any person in any specific place is not necessary, notwithstanding any clauses in the articles of association that provide for the presence of the chair and secretary in the same place, [presence] to be understood...as a rule functional only to the concurrent preparation of the minutes of the meeting, signed by both the chair and the secretary"; in such a case "the secretary taking the minutes also participates in the meeting only by means of telecommunications and records the entire decision-making process based on what is perceived through them, it being understood that, in cases where the minutes are drawn up as a public deed, the notary must in any event be in a place within their territorial area pursuant to notary law".

<sup>2</sup> See Milan Board of Notaries, with Principle no. 200 of 23 November 2021 according to which:

- "The clauses of the articles of association are lawful ...which, by allowing participation in the shareholders' meeting by means of telecommunications pursuant to Article 2370, paragraph 4, of the Italian Civil Code, expressly grant the governing body the power to establish in the notice of call that the shareholders' meeting shall be held exclusively by means of telecommunications, not specifying a physical location for the meeting"; and
- "...it may be useful to reiterate that what is stated in the principle for shareholders' meetings must be deemed all the more applicable to meetings of other corporate bodies as well, with particular regard to the board of directors and the board of statutory auditors, even in the absence of a clause in the articles of association expressly providing for the possibility of convening the board only by means of telecommunications".



If the legal conditions are met, the ordinary shareholders' meeting may be convened after more than 120 days but within 180 days of the end of the financial year. The extraordinary shareholders' meeting is convened to deal with matters envisaged by law or these by-laws.

The shareholders' meeting may be convened at the request of shareholders representing at least one-twentieth of the Company's capital, specifying the topics to be covered. Requests to convene and add items to the agenda are not permitted for items that, in accordance with the law, the shareholders' meeting resolves on based on a proposal from the directors or on the basis of a project or report prepared thereby.

The meeting is convened at the registered office or elsewhere in Italy or Switzerland by means of a notice to be published, based on the matters to be discussed, under the terms and conditions established by art. 125-bis TUF, as well as by the Issuers' Regulations, adopted by resolution no. 11971 of 14 May 1999, as amended, containing an indication of the day, time and place of the meeting and a list of matters to be discussed.

The notice of convocation may also indicate the dates of any further convocations.

The holders of voting rights who have obtained certification of their legitimacy from the authorised intermediary, communicated to the company in accordance with applicable laws, may participate in the Shareholders' Meeting or be represented in the manner prescribed by law.

The right to participate in the Shareholders' Meeting and to delegate a proxy is governed by applicable law.

The proxy may be notified to the Company by certified email before the start of the shareholders' meeting at the address specified in the notice of convocation.

The constitution of the meeting and the validity of the resolutions are governed by law, except for the appointment of Directors, which falls under the provisions of article 11, and for the appointment of the Board of Statutory Auditors, which falls under the provisions of article 20.

120 days after the end of the financial year to deal with the matters envisaged by law.

If the legal conditions are met, the ordinary shareholders' meeting may be convened after more than 120 days but within 180 days of the end of the financial year. The extraordinary shareholders' meeting is convened to deal with matters envisaged by law or these by-laws.

The shareholders' meeting may be convened at the request of shareholders representing at least one-twentieth of the Company's capital, specifying the topics to be covered. Requests to convene and add items to the agenda are not permitted for items that, in accordance with the law, the shareholders' meeting resolves on based on a proposal from the directors or on the basis of a project or report prepared thereby.

The shareholders' meetings is convened at the registered office or elsewhere, provided that it is in Italy or Switzerland, by means of a notice to be published, depending on the items to be discussed, within the terms and according to the procedures set forth in Article 125-bis [of Italian Legislative Decree 58/1998 \(the "TUF"\)](#), as well as the Issuers' Regulation, adopted by resolution no. 11971 of 14 May 1999, as amended, containing the indication of the day, time and place of the meeting and the list of matters to be discussed.

The notice of convocation may also indicate the dates of any further convocations.

[Without prejudice the following](#), the holders of voting rights who have obtained certification of their legitimacy from the authorised intermediary, communicated to the company in accordance with applicable laws, may participate in the Shareholders' Meeting or be represented in the manner prescribed by law.

The right to participate in the Shareholders' Meeting and to delegate a proxy is governed by applicable law.

The proxy may be notified to the Company by certified email before the start of the shareholders' meeting at the address specified in the notice of convocation.

The constitution of the meeting and the validity of the resolutions are governed by law, except for the appointment of Directors, which falls under the provisions of article 11, and for the appointment of the Board of Statutory Auditors, which falls under the provisions of article 20.



For each shareholders' meeting the company designates a party to which the shareholders may delegate a proxy with instructions on how to vote for all or some of the items on the agenda.

The shareholders' meeting may be held in several different places, contiguous or distant, connected both by audio and video, under the following conditions, which must be acknowledged in the minutes:

- That the chair and the secretary of the meeting are in the same place and draw up the minutes.
- The chair is able to ascertain the identity and standing of the persons attending, to direct the progress of the meeting and to establish and announce the results of the voting.
- The Secretary can correctly record the events of the shareholders' meeting.
- Those present may take part in the discussion and vote simultaneously on the items on the agenda and may view, receive or transmit documents.
- The notice of the meeting must indicate the places connected by audio/video link by the company where the participants can gather, the meeting being deemed to be held in the place where the chairman and secretary are located.
- An attendance sheet is completed in every place.

For each shareholders' meeting the company designates, specifying in the notice of call, a person to whom shareholders may grant a proxy, with voting instructions, for all or some of the proposals on the agenda.

The shareholders' meeting may be held in several different places, contiguous or distant, connected both by audio and video, under the following conditions, which must be acknowledged in the minutes:

- That the chair and the secretary of the meeting are in the same place and draw up the minutes.
- The chair is able to ascertain the identity and standing of the persons attending, to direct the progress of the meeting and to establish and announce the results of the voting.
- The Secretary can correctly record the events of the shareholders' meeting.
- Those present may take part in the discussion and vote simultaneously on the items on the agenda and may view, receive or transmit documents.
- The notice of the meeting must indicate the places connected by audio/video link by the company where the participants can gather, the meeting being deemed to be held in the place where the chairman and secretary are located.
- An attendance sheet is completed in every place.

In the notice of call the Board of Directors may establish that participation and the exercise of voting rights at meetings be made exclusively by means of proxy (or sub-delegation) of voting rights to a party serving as a designated representative pursuant to the applicable regulations.

Without prejudice to the foregoing, if the Board of Directors avails itself of the power referred to in the preceding paragraph, in the notice of the Shareholders' Meeting the Board of Directors may establish that participation in the Shareholders' Meeting by the entitled parties in accordance with the law and the articles of association (including the directors, the statutory auditors, the notary public, the designated representative and other parties permitted to attend the shareholders' meeting) also takes place or must take place only by means of teleconference and/or video conference if this is permitted by the law and/or regulatory provisions in force from time to time. In such case



	<p><u>it must be ensured that:</u></p> <ul style="list-style-type: none"> <li>- <u>the chair is able to ascertain the identity and legitimacy of the participants, govern the conduct of the meeting and ascertain and announce the results of the voting;</u></li> <li>- <u>the Secretary may adequately perceive the events of the shareholders' meeting in question; and</u></li> <li>- <u>those present may take part in the discussion and simultaneous vote on the items on the agenda and may view, receive or submit documents.</u></li> </ul>
--	--

#### 4. Withdrawal

Any amendment of the Articles of Association referred to in this Report will not in any way give rise to the right of withdrawal provided for in Art.

2437 of the Italian Civil Code for those who did not take part in the relevant resolution.

\* \* \*

#### 5. Proposed resolution

Given the above, we submit the following resolution for your approval:

"The Extraordinary Shareholders' Meeting of Centrale del Latte d'Italia S.p.A., having examined the report of the Board of Directors,

#### RESOLVES

- to approve, in their entirety, the amendments to the Articles of Association as indicated in the "Proposed Amendments" column (where the changes to the current text are highlighted) of the Board of Directors' report and therefore to: **(i)** introduce the rules for attending the shareholders' meeting and exercising the right to vote exclusively through the designated representative pursuant to Article 135-undecies.1 of Italian Legislative Decree no. 58/98 (TUF), as introduced by Italian Law no. 21/2024; **(ii)** provide for the possibility that, if attendance and voting take place exclusively through the Company's designated representative, the participation of the designated representative and the other entitled parties in the Shareholders' Meeting shall also take place exclusively by means of telecommunications (teleconferencing and video conferencing); and accordingly **(iii)** the amendment of Article 9;
- to grant the Board of Directors, with the power to sub-delegate, the broadest powers necessary or appropriate to implement the above resolution and to comply with all the obligations envisaged by the laws in force at the time, as well as to execute the actions and transactions necessary or appropriate to this end, including but not limited to those relating to: **(i)** the management of relations with any competent body and/or authority; **(ii)** the fulfilment of all legal formalities (including the filing for registration with the Company Register), with the power to make any formal and non-substantial additions, amendments and deletions to the resolutions adopted today that may be necessary or otherwise required also at the time of registration with the competent Company Register".

Turin, 08 April 2024

**For the Board of Directors**  
**The Chair**  
 Angelo Mastrolia

