

**Italgas S.p.A.**

**ORDINARY SHAREHOLDERS' MEETING OF 13 May 2025**

**SINGLE CALL**

**Report by the Board of Directors on the proposals concerning the items on the agenda of  
the Shareholders' Meeting**

**Item 4**

***“4. Appointment of the Board of Directors.***

- 4.1 Determination of the term of office of Directors.***
- 4.2 Appointment of the members of the Board of Directors.***
- 4.3 Appointment of the Chairperson of the Board of Directors.***
- 4.4 Determination of the remuneration of the Directors”.***

Dear Shareholders,

this Report on the appointment of the Board of Directors of Italgas S.p.A. (the "**Company**" or "**Italgas**") has been prepared pursuant to Article 125-ter, subsection 1, of Legislative Decree no. 58/1998 and subsequent amendments and integrations (the "**CLF**") and Article 84-ter of the Regulation adopted by Consob resolution no. 11971/1999 and subsequent amendments and integrations (the "**Issuers' Regulation**").

This Report was approved by the Board of Directors at the meeting on 12 February 2025 and is made available to the public, as established by law and regulations, at the Company's registered office, on the Company's website ([www.italgas.it](http://www.italgas.it)), and by other means as required by current legislation.

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The term of office of the Board of Directors of Italgas appointed by the Shareholders' Meeting of 26 April 2022, expires with the approval of the financial statements for the year ended 31 December 2024. Therefore, the Board of Directors calls on you to proceed with the appointment of the new administrative body in compliance with the applicable regulatory and bylaw provisions.

That being said, the content of the main applicable provisions and Bylaw clauses that govern the composition, duration of office and procedure for appointing members of the Company's Board of Directors are set out below.

**1.1 Composition and term of office of Directors.**

Pursuant to article 13.1 of the company bylaws (the “**Bylaws**”), the Company shall be managed by a Board of Directors composed of 9 members.

Note that the Company adheres to the recommendations of the Corporate Governance Code approved by the Corporate Governance Committee (the “**Corporate Governance Code**”).

In accordance with the provisions of Recommendation 23 of the Corporate Governance Code, the Board of Directors, after consulting the Appointments and Compensation Committee, provided guidance on the quantitative and qualitative composition it deems optimal based on the experience gained during the three-year period ended and taking into account the outcome of the assessment of the functioning of the Board and its committees, their size and composition. The “Guidelines of the Board of Directors of Italgas S.p.A. to the Shareholders on the future size and composition of the new Board of Directors” (“**Guidelines for Shareholders**”) was approved by the Board of Directors on 12 February 2025 and made available to the public on 13 February 2025 on the Company website [www.italgas.it](http://www.italgas.it) (“Investors” “Governance” – “Shareholders’ Meeting” – “Shareholders’ Meeting: 13 May 2025” section) and on the “eMarket STORAGE” authorised storage platform at [www.emarketstorage.it](http://www.emarketstorage.it), and therefore well in advance of the date of publication of the call notice of the Shareholders’ Meeting convened to renew the corporate bodies and this Report (see also below).

Given the above, as laid down in the Bylaws:

- at least three directors must meet the independence requirements established by the CLF (i.e., pursuant to Article 147-ter, subsection 4 of the CLF, the independence requirements established for statutory auditors of listed companies pursuant to Article 148, subsection 3 of the CLF). Candidates meeting the aforesaid independence requirements must be specifically identified on the slates.  
In this regard, it should also be noted that (i) pursuant to Recommendation 5 of the Corporate Governance Code, in “large companies” other than those “with concentrated ownership” (such as Italgas<sup>1</sup>), independent directors (also pursuant to the Corporate Governance Code, see in particular Recommendation no. 7) make up at least half of the Board of Directors; (ii) on 16 December 2024, Italgas’ Board of Directors – upon the proposal of the Appointments and Compensation Committee – approved the quantitative and qualitative criteria for assessing the independence of Italgas Directors and Statutory Auditors pursuant to Recommendation 7, letters c) and d) and established

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<sup>1</sup> The Corporate Governance Code defines a “large company: a company whose capitalisation exceeded 1 billion euros on the last trading day of each of the three preceding calendar years” and a “concentrated ownership company: a company in which one or more shareholders participating in a shareholders’ agreement hold, directly or indirectly (through subsidiaries, trustees or intermediaries), the majority of the votes that can be cast at an ordinary shareholders’ meeting”. Italgas qualifies as a large non-concentrated ownership company.

the “close family members” referred to in Recommendation 7, letter h) of the Corporate Governance Code. These criteria are set out, *inter alia*, in the Guidelines for Shareholders made available to the public on the Company website [www.italgas.it](http://www.italgas.it) (“Investors” – “Governance” – “Shareholders’ Meeting” – “Shareholders’ Meeting: 13 May 2025” section) and on the “eMarket STORAGE” authorised storage platform at [www.emarketstorage.it](http://www.emarketstorage.it), referred to herein;

- all directors must possess the requirements of honourableness prescribed by current legislation (i.e., pursuant to Article 147-quinquies, subsection 1, of the CLF, the integrity requirements prescribed for the statutory auditors of companies with listed shares);
- the directors of Italgas cannot hold any office in the management or control body, nor can they hold any management functions at Eni S.p.A. or its subsidiaries, nor have any relations, direct or indirect, of a professional or financial nature with these companies, as also laid down by the Prime Ministerial Decree of 25 May 2012 concerning “Criteria, terms and conditions for the adoption by Snam S.p.A. of the ownership unbundling model pursuant to Article 15 of Law no. 27 of 24 March 2012”.

The composition of the Board of Directors must also ensure a gender balance in compliance with current regulations, which provide that the rules on gender balance state that the less represented gender must obtain at least two-fifths of the elected members (Article 147-ter, subsection 1-ter of the CLF) and that, if the application of the gender distribution criterion does not result in a whole number of members of the administrative bodies belonging to the less represented gender, this number shall be rounded up to the nearest whole number (Article 144-undecies.1, subsection 3 of the Issuers’ Regulations). Therefore, taking into account the number of members of the Board of Directors laid down by the Bylaws, at the Shareholders’ Meeting to renew Italgas’ Board of Directors, four out of the nine elected Directors must be of the least represented gender.

Following the opinion of the Appointments and Compensation Committee of 06 June 2023, the Board of Directors also approved the “Diversity of corporate bodies Policy” on 13 June 2023. This policy, which contains some criteria aimed at encouraging diversity in the composition of the corporate bodies, may be consulted on the Company’s website [www.italgas.it](http://www.italgas.it) (“Investors” – “Governance” – “Board of Directors” section). The members of the administrative body shall comply with the Guideline on the limits and prohibitions on the accumulation of offices as director or statutory auditor held by Italgas Directors in other “relevant companies” not belonging to the Italgas Group, most recently adopted by the Italgas’ Board of Directors with a resolution passed on 16 December 2024, subject to the favourable opinion of the Appointments and Compensation Committee, in compliance with the provisions of the Corporate Governance Code. The Guidance on the limits and prohibitions on the accumulation of offices is reported, *inter alia*, in the Guidelines for Shareholders made available to the public on the Company’s

website (“Investors” – “Governance” – “Shareholders’ Meeting” – “Shareholders’ Meeting: 13 May 2025” section) and on the authorized storage mechanism “eMarket STORAGE” at [www.emarketstorage.it](http://www.emarketstorage.it), to which reference is made.

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As regards the duration of the term of office, note that the members of the Board of Directors shall remain in office for a period established by the Shareholders’ Meeting at the time of appointment and in any case no longer than three fiscal years, expiring on the date of the Shareholders’ Meeting called to approve the financial statements for the last year of their term of office, without prejudice to the causes of termination and forfeiture provided for by law and the Bylaws. Members of the Board of Directors may be re-elected.

In order to ensure continuity in the management of the Company, the Board of Directors proposes to set the term of office for the Directors to be appointed at three financial years (2025, 2026 and 2027), thus expiring on the date of the Shareholders’ Meeting to be called for approving the financial statements as at 31 December 2027.

## **1.2 Submission of slates of candidates for appointment to the Board of Directors.**

The Board of Directors shall be appointed based on the slates submitted by the Shareholders, in which candidates must be listed by way of a progressive number.

Under the combined provisions of art. 13.3 of the Bylaws and Management Decision no. 123 of 28 January 2025 of the Head of the Issuer Supervision Division, slates may be presented by shareholders who own, alone or jointly with others, an equity investment of at least 1% of the share capital. In this regard, note that ownership of the minimum equity investment necessary to submit a slate is determined in consideration of the shares registered to the Shareholder on the date on which the slates are filed at the Company.

Each Shareholder may present or may participate in the presentation of just one slate, and may vote for just one slate. Adhesions and votes cast in violation of this prohibition shall not be attributed to any slate. Moreover, each candidate must submit his/her candidacy on a single slate, under penalty of ineligibility.

The slates must be filed at Italgas’ registered office by hand delivery from Monday to Friday from 8 a.m. to 6 p.m. at the following address: Italgas S.p.A. – via Carlo Bo 11, 20143, Milan c/o Corporate Secretary’s Office (slates for the appointment of the Board of Directors and the Board of Statutory Auditors Shareholders’ Meeting 13 May 2025) or sent by certified email to [italgas.assemblea@pec.italgas.it](mailto:italgas.assemblea@pec.italgas.it) or to the email address [segreteriaassociata@italgas.it](mailto:segreteriaassociata@italgas.it), at least 25 days prior to the date of the Shareholders’ Meeting convened on single call to resolve on the appointment of the members of the Board of Directors and the Board of Statutory Auditors, i.e. by 18 April 2025.

In compliance with the provisions on this matter, at least 21 days prior to the date of the Shareholders’ Meeting in a single call (that is, by 22 April 2025), the Company shall make

available to the public at the registered offices, on the authorised storage mechanism “eMarket STORAGE” at the address [www.emarketstorage.it](http://www.emarketstorage.it) and on the website of Italgas [www.italgas.it](http://www.italgas.it) (“Investors” – “Governance” – “Shareholders’ Meeting” – “Shareholders’ Meeting: 13 May 2025” section) the slates of candidates, together with the documentation filed with them.

The slates that present three or more candidates must include candidates of different gender, in order to respect the legal provisions on gender equality.

The following must be filed together with each slate, under penalty of its inadmissibility: (i) the statements with which the individual candidates accept their candidacy, undertake – if appointed – to accept the office and certify, under their own responsibility, that no grounds for incompatibility or ineligibility exist against them, as provided for by Article 2382 of the Italian Civil Code and no grounds for disqualification from the office of director adopted against them in a Member State of the European Union pursuant to Article 2383, subsection 1, of the Italian Civil Code, and that they hold the integrity and if necessary independence requirements prescribed for the respective offices by current legislation; (ii) a curriculum vitae containing exhaustive information on the professional characteristics of each candidate; (iii) an indication of the identities of the shareholders who submitted the slates and the overall equity percentage held; (iv) a copy of the certifications issued by duly empowered intermediaries certifying ownership of the number of shares necessary to submit said slates. These certifications may be presented even after the filing of the slates, provided by 22 April 2025 at 6:00 pm.

As recommended by Communication No. DEM/9017893 of 26 February 2009, shareholders who do not hold, including jointly, a controlling share or relative majority, in conjunction with the slate, shall file a statement certifying the absence of links, including indirect links, as referred to in Article 147-ter, subsection 3, of the CLF and Article 144-quinquies of the Issuers’ Regulations, with Shareholders who, even jointly, hold a controlling share or relative majority. This statement, moreover:

- must specify any existing relations, if significant, with shareholders who hold, also jointly, a controlling share or relative majority, wherever possible, along with the reasons why these relations are not deemed to constitute the aforementioned links; or
- must specify the absence of the above relations.

### 1.3 Procedure for appointing members of the Board of Directors.

Pursuant to art. 13.5 of the Bylaws, the election of the Board of Directors shall proceed as follows:

- a) the names of the first seven directors will be selected from the slate that has obtained the majority of Shareholder votes (the “**Majority Slate**”), in the order in which they are listed on the slate;

- b)* the remaining two directors will be selected from the other slates that are in no way, whether directly or indirectly, connected to shareholders who have submitted or voted for the slate that received the majority of votes (the “**Minority Slates**”); to this end, votes obtained in the slates will be subsequently divided by one and two. The quotients thus obtained will be assigned progressively to candidates from each of these slates, according to the order shown therein. On the basis of the quotients assigned, the candidates on the various slates shall be arranged in a single decreasing ranking. Those obtaining the highest quotients will be elected. If several candidates obtain the same quotient, the candidate from the slate that has not yet elected any director or that has elected the smallest number of directors will be elected. If none of these slates has yet elected a director or if all have elected the same number of directors, the candidate from the slate obtaining the greatest number of votes will be elected. If the voting on slates is a tie and the quotient is also a tie, the entire Shareholders’ Meeting will be asked to vote again, and the candidate winning a simple majority of votes will be elected;
- b-bis)* if the Majority Slate does not contain a sufficient number of candidates to ensure that the number of directors to be elected pursuant to letter a) above can be reached, all the candidates listed on that slate shall be drawn, in the order stated on that slate; after a further two directors have then been drawn from the Minority Slates, pursuant to letter b), the remaining directors shall be drawn, for positions not covered by the Majority Slate, from the Minority Slate which has obtained the highest number of votes among the Minority Slates (the “**First Minority Slate**”) according to the capacity of that slate. In the event of insufficient capacity of said slate, the remaining directors shall be appointed, with the same procedures, from the following slate (“**Second Minority Slate**”) or any subsequent slates, based on the number of votes and capacity of the slates themselves. Lastly, if the total number of candidates on the slates presented, on both the Majority Slate and Minority Slates, is lower than the number of the directors to be elected, the remaining directors shall be elected by the shareholders’ meeting with a resolution approved in accordance with letter d) below;
- c)* if, after applying the procedure described above, the minimum number of independent directors required by the By-laws is not appointed, the quotient of votes to be attributed to each candidate taken from the slates is calculated by dividing the number of votes for each slate by the consecutive number of each of these candidates; non-independent candidates with the lowest quotients among the candidates taken from all the slates shall be replaced, starting from the lowest, by the independent candidates taken from the same slate as the candidate being replaced (following the order in which they are listed); otherwise, they shall be replaced by persons who meet the independence criteria and appointed in accordance with the procedure mentioned under d). If candidates taken from different slates have obtained the same quotient, the candidate from the slate from which the highest number of directors has been taken shall be replaced, or, alternatively, the candidate taken from the slate with the fewest votes shall be replaced, or, if the

number of votes is the same, the candidate who receives the fewest votes in a dedicated resolution by the Shareholders' Meeting shall be replaced;

- c-bis)* if the application of the procedure described in points a), b) and b-bis) does not allow for compliance with the law on gender representation, the quotient of votes to be attributed to each candidate taken from the slates shall be calculated by dividing the number of votes for each slate by the consecutive number of each of these candidates; the candidate of the most represented gender with the lowest quotient among the candidates taken from all the slates shall be replaced, notwithstanding compliance with the minimum number of independent directors, by the candidate of the least represented gender (with the highest consecutive number) taken from the same slate as the replaced candidate; otherwise, the candidate shall be replaced by the person appointed in accordance with the procedure mentioned under d). If candidates from different slates have obtained the same lowest quotient, the candidate from the slate from which the greater number of Directors has been taken shall be replaced, or, alternatively, the candidate taken from the slate with the fewest votes shall be replaced, or, if the number of votes is the same, the candidate who receives the fewest votes in a dedicated resolution by the Shareholders' Meeting shall be replaced;
- d)* for the appointment of directors not appointed for any reason by the above procedures, the Shareholders' Meeting shall resolve by statutory majority to ensure that the composition of the Board of Directors is consistent both with the law and with the By-Laws.

#### **1.4 Appointment of the Chairperson of the Board of Directors.**

Pursuant to art. 14 of the Bylaws, the Shareholders are also called upon to appoint the Chairperson of the Board of Directors. Note that, if the shareholders' meeting does not appoint the Chairperson, the latter shall be appointed by the Board of Directors.

In this regard, it should be noted that the Guidelines to Shareholders also contain indications regarding the office of Chairperson of the Board of Directors and that, in line with the provisions of Recommendation 23 of the Corporate Governance Code, it is recommended that those who submit a slate containing a number of candidates exceeding half of the members to be elected provide adequate information, in the documentation submitted for the filing of the slate, on the compliance of the slate with the Guidelines to Shareholders and indicate their candidate for the office of Chairperson of the Board of Directors.

In connection with the above, the Shareholders' Meeting is invited to appoint the Chairperson of the Board of Directors from among the Directors elected at the end of the voting on item 4.2 on the agenda and on the basis of the proposals made by the Shareholders.

#### **1.5 Compensation due to members of the Board of Directors.**



Finally, Shareholders are called on to resolve on the compensation due to members of the Board of Directors who are not assigned specific roles. The remuneration of the directors who are assigned specific roles shall be established by the Board of Directors itself, having obtained the opinion of the Board of Statutory Auditors, pursuant to art. 2389, subsection 3 of the Italian Civil Code. The directors will also receive reimbursement for expenses incurred in connection with their duties.

In this regard, the Board of Directors, without prejudice to the Shareholders' right to submit additional and different proposals for resolution, proposes to confirm the directors' current annual gross remuneration and, in turn, set the gross annual remuneration due to each director at 50,000 euros in addition to the reimbursement of expenses incurred in relation to their role.

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#### **Recommendations to Shareholders submitting a slate**

The Board invites:

- Shareholders who submit their own slates of candidates for the appointment of the board of directors to ensure that such slates are accompanied by all the information necessary to enable shareholders to cast their votes in an informed manner, including an indication of the suitability of the candidates to qualify as independent;
- Shareholders who submit a slate of candidates exceeding half the number of members (also in line with Recommendation no. 23 of the Corporate Governance Code), to:
  - (i) provide adequate information, in the documentation submitted for the filing of the slate, on whether the slate complies with the guidance expressed by the outgoing Board, also with reference to Italgas' "*Policy for the diversity of corporate bodies*" and the diversity criteria set forth in Principle VII and Recommendation 8 of the Corporate Governance Code;
  - (ii) indicate their candidate for the office of Chairperson of the Board of Directors, who shall be appointed in accordance with the procedures laid down in the Bylaws;
  - (iii) to put forward - and transmit in the same manner as for the filing of the lists - any proposals for the appointment of the Board of Directors (determining the term of office of the Board of Directors, as well as the remuneration), well in advance so that such proposals may be published by the Company at the same time as the slates.

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Dear Shareholders,

You are invited to resolve as follows.

- (i) *In relation to point 4.1 "Determination of the term of office of Directors":*



*you are invited to approve the proposal to set the term of office for the directors to be appointed at three financial years, expiring on the date of the Shareholders' Meeting that will be called for approving the financial statements as at 31 December 2027.*

- (ii) In relation to point 4.2 "Appointment of the members of the Board of Directors":  
you are invited to vote for one of the slates presented and published pursuant to the provisions of law and of the Bylaws.*
- (iii) In relation to point 4.3 "Appointment of the Chairperson of the Board of Directors":  
you are invited to propose and vote on the appointment as Chairperson of the Board of Directors of one of the Directors previously appointed under item 4.2 of the agenda".*
- (iv) In relation to point 4.4 "Determination of the remuneration of the Directors":  
you are invited to approve the proposal to set the gross annual remuneration payable to each director at 50,000 euros, in addition to the reimbursement of expenses incurred in relation to their office.*

Milan, 12 February 2025

The Chairperson of the Board of Directors  
Ms Benedetta Navarra