



**EXTRAORDINARY AND ORDINARY GENERAL MEETING  
OF THE SHAREHOLDERS**

**Single call – April 30 2021 - at 11.00 a.m.**

**CIR S.p.A.**

**Via Ciovassino n. 1 - Milan**

**Report on the Item 3) on the Agenda**

**PROPOSAL FOR AN AUTHORIZATION TO BUY BACK OWN SHARES AND USE THEM AS  
APPROPRIATE**

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Società soggetta all'attività di direzione e coordinamento della F.LLI DE BENEDETTI S.p.A.

## **PROPOSAL FOR AN AUTHORIZATION TO BUY BACK OWN SHARES AND USE THEM AS APPROPRIATE**

Dear Shareholders,

Following the authorizations given in previous years, as of the date of the Board of Directors Meeting held on March 12 2021, the Company owned 26,819,394 of its own shares, equal to 2.10% of the share capital and as of the date of the Annual General Meeting it still owned 26,819,394 own shares, equal to 2.10% del share capital.

In the interest of the Company, we believe that it is appropriate to propose that a new resolution be adopted authorizing the buyback of own shares in the market, in accordance with and as an effect of Articles 2357 and 2357-ter of the Civil Code, with the consequent right to use the same shares as appropriate in compliance with the law and with current regulations in force, in conformity with market practices permitted by Consob, and following the Guidelines issued by the latter in July 2019.

This proposal has the following rationale:

- Fulfilling obligations resulting from possible stock option plans or other awards of shares of the Company to employees or members of the Board of Directors of CIR or its subsidiaries, as well as fulfilling any obligations resulting from any debt instruments convertible into or exchangeable with equity instruments;
- Having a portfolio of own shares to use as consideration for possible extraordinary transactions, even those involving an exchange of equity holdings, with other entities within the scope of transactions of interest to the Company (stock of securities);
- Supporting market liquidity, optimizing the capital structure, and remunerating the shareholders in particular market conditions, all within the limits established by current rules;
- Taking advantage of opportunities for creating value, as well as investing liquidity efficiently in relation to the market trend;
- Or any other purpose qualified by the competent Authorities as admitted market practice in accordance with applicable European and domestic rules, and with the procedures established therein.

The authorization to buy back own shares, in accordance with and as an effect of Art. 2357 of the Civil Code, is being requested for a period of eighteen months, starting from the day after the ordinary session of the AGM that approves it, and is for the buyback of a maximum number of 225,000,000 CIR shares, as follows:

- A. A maximum of 225,000,000 shares may be bought back, taking into account that, including in the calculation the own shares already held even through subsidiaries, the number of shares bought back must not on any account exceed one fifth of the total number of shares making up the share capital of CIR S.p.A.. The unit price of each individual share buyback transaction must not be more than 15% higher or lower than the benchmark price recorded by the shares in the Stock Exchange trading session prior to each individual buyback deal or prior to the date on which the price is fixed in the event of purchases according to the procedures in points (a), (c) and (d) of paragraph B below. When the shares are bought back in the regulated market, the price must not be higher than the higher of the

price of the last independent transaction and the highest current independent bid price in the same market, in compliance with the terms of Art. 3 of EU Delegated Regulation no. 2016/1052;

- B. The purchase must take place in the market in accordance with what is set out in Art. 132 of D. Lgs no. 58/98 and the rules of law and regulations in force at the moment of the transaction and, more precisely (a) through a public offer to buy or exchange shares; (b) on regulated markets following operating procedures set out in the rules for organizing and managing the same markets, which do not allow bid prices to be matched directly with predetermined offer prices; (c) through the pro-rata assignment to the shareholders of put options to be assigned within 15 months of the date of the AGM resolution and exercisable within 18 months of the same date; (d) through the purchase and sale of derivative instruments traded on regulated markets that involve the physical delivery of the underlying shares in accordance with the further provisions contained in Art. 144-bis of the Rules for Issuers published by Consob, and with the terms of Articles 5 and 13 of EU Regulation 596/2014.

Regarding the authorization to use the own shares as appropriate, the resolution presented envisages an authorization to carry out certain acts of disposal, including the right to use the own shares bought back, without any limits or time constraints, within the sphere of the compensation plans based on the Company's shares.

Lastly, it should be pointed out that the buyback of own shares referred to in this request for authorization is not aimed at reducing the share capital through the cancellation of the own shares bought back.

Given all of the above, we propose that you adopt the following resolution:

“The Annual General Meeting of the Shareholders of CIR S.p.A. – Compagnie Industriali Riunite S.p.A.:

- Having acknowledged the proposals of the Board of Directors
- Having acknowledged the favourable opinion of the Board of Statutory Auditors
- Being aware of the rules contained in Articles 2357 and following articles of the Civil Code, in Art. 132 of D.Lgs no. 58/98, in Art. 144-*bis* of Consob resolution 11971/1999, in EU Regulation 596/2014, in EU Delegated Regulation no. 2016/1052, as well as those in Consob Resolution no. 20876 of April 3 2019 and Consob Guidelines of July 2019 and the proposal to eliminate the nominal value of the shares submitted to approval in the extraordinary part of this AGM

#### RESOLVES

1. To authorize the Board of Directors and for the Board the Chairman and the Chief Executive Officer, severally and each with the right to sub-delegate, to buy back CIR shares as per the terms and as an effect of Art. 2357 of the Civil Code, as from the day after this AGM and for a period of eighteen months. The buyback shall be effected as follows:
  - A maximum of 225,000,000 shares may be bought back, taking into account that, including in the calculation the own shares already held even through subsidiaries, the number of shares bought back must not on any account exceed one fifth of the total number of shares making up the share capital of CIR S.p.A..
  - The unit price of each individual share buyback transaction must not be more than 15% higher or lower than the benchmark price recorded by the shares in the Stock Exchange trading session prior to each individual buyback deal or prior to the date on which the price is fixed in the event of buybacks using the procedures described in points (a), (c) and (d) of the following paragraph. In any case, when the shares are bought back through orders in the regulated market, the price must

not be higher than the higher of the price of the last independent transaction and the highest current independent bid price on the same market;

- The buyback must take place in the market in accordance with what is laid down in Art. 132 of D.Lgs no. 58/98 and in the rules of law or of regulations in force at the moment of the transaction and more precisely: (a) through a public offer to buy or exchange shares; (b) on regulated markets following operating procedures set out in the rules for organizing and managing the same markets, which do not allow bid prices to be matched directly with predetermined offer prices; (c) through the pro-rata assignation to the shareholders of put options to be assigned within 15 months of the date of the AGM authorizing it and exercisable within 18 months of the same date; (d) through the purchase and sale of derivative instruments traded on regulated markets that involve the physical delivery of the underlying shares in accordance with the further provisions contained in Art. 144-bis of the Rules for Issuers published by Consob and with the terms of Articles 5 and 13 of EU Regulation 596/2014.

2. To authorize, in accordance with and as an effect of the terms of Art. 2357-ter of the Civil Code, the Board of Directors and for the Board the Chairman and the Chief Executive Officer, severally and each with the right to sub-delegate, to carry out, within the limits of the law, any subsequent purchase or sale transactions and also to arrange, without any time limit or constraint, the shares bought back for sale – even before completing the buybacks as authorized above – once or more than once through authorized intermediaries, at prices no lower than the last purchase price paid or recorded in the books or than the current price quoted on the Stock Exchange, with a specific exception for directors and employees of the Company and/or its subsidiaries to whom the shares may be transferred or assigned even free of charge, in observance of the limits laid down by law, in execution of specific compensation plans based on the shares of the Company;
3. To authorize the Board of Directors again, and for the Board the Chairman and the Chief Executive Officer, severally and each with the power to sub-delegate, in accordance with and as an effect of the terms of Art. 2357-ter of the Civil Code, to arrange, without any time limit or constraint, for own shares bought back to be used – once or more than once – as payment in exchange for equity, or for sale through offer to the public and/or to the Shareholders, even through a placement of warrants and depositary receipts representing shares (American Depositary Receipts and similar certificates), to fulfil any requirements that could derive from debt instruments convertible into or exchangeable with equity instruments, and also for assigning to employees and Directors of the Company and its subsidiaries in relation to the execution of stock grant plans, at a price no lower than the nominal value;
4. To give the Board of Directors, and for the Board the Chairman and the Chief Executive Officer, a mandate to see that the appropriate accounting entries are made to the “reserve for own shares held”, after transactions involving the purchase, sale or exchange of own shares, in compliance with the rules of law and with the accounting principles applicable at any one time, withdrawing from and crediting the available reserves used for own share transactions as appropriate.”