



## **EXTRAORDINARY SHAREHOLDERS' MEETING**

**Single call – 6 September 2024 - 9:00 am**

**at**

**CIR S.p.A.**

**Via Ciovassino no. 1 - Milan**

**EXPLANATORY REPORT OF THE BOARD OF DIRECTORS, IN ACCORDANCE WITH ART. 125-TER OF  
THE CONSOLIDATED FINANCE ACT, ON THE ITEMS ON THE AGENDA**

**CIR S.p.A.**

Via Ciovassino, 1 – 20121 Milan – **T** + 39 02 722701

Share capital € 420,000,000 – Admin. and Econ. Index No. 1950090

Registered in Company Register of Milan Monza Brianza Lodi / Tax Code / VAT no. 01792930016

Company subject to management and coordination by F.LLI DE BENEDETTI S.p.A.

**EXPLANATORY REPORT OF THE BOARD OF DIRECTORS, IN ACCORDANCE WITH ART. 125-TER OF THE CONSOLIDATED FINANCE ACT, ON THE ITEMS ON THE AGENDA OF THE EXTRAORDINARY SHAREHOLDERS' MEETING OF CIR S.P.A. - COMPAGNIE INDUSTRIALI RIUNITE, CONVENED FOR 06 SEPTEMBER 2024 (SINGLE CALL)**

Dear Shareholders,

This report (the '**Report**') was prepared by the Board of Directors of CIR S.P.A. - COMPAGNIE INDUSTRIALI RIUNITE ("**CIR**" or the "**Company**"), in accordance with Article 125-ter of Legislative Decree No. 58 of 24 February 1998 (the "**TUF**") and Articles 72 and 84-ter of the regulation adopted by CONSOB Resolution No. 11971 of 14 May 1999 (the "**Issuers' Regulations**"), in order to illustrate the amendments to the Company's Bylaws (the "**Bylaws**") that are proposed to the Extraordinary Shareholders' Meeting convened, at a single calling, for 6 September 2024 (the "**Extraordinary Shareholders' Meeting**") to discuss and resolve on the following agenda:

1. Proposal to introduce the possibility to hold shareholders' meetings exclusively by appointing a so-called proxy agent (*rappresentante designato*) (amendment to article 8, paragraphs 1 and 2 of the Bylaws). Related and consequent resolutions.
2. Proposal to introduce the possibility to hold shareholders' meeting exclusively by telecommunications means (amendment to article 8, paragraph 3 of the Bylaws). Related and consequent resolutions.
3. Proposal to enhance the increased voting rights mechanism currently in place (new paragraph 6-bis of article 8 of the Bylaws). Related and consequent resolutions.
4. Specification of the cases of preservation of increased voting rights provided for in the regulations and other changes to the rules of the Bylaws on increased voting (amendments to paragraphs 7 to 14 of article 8 of the Bylaws and consequent renumbering of subsequent paragraphs). Related and consequent resolutions.
5. Proposals to amend the maximum number of directors, to introduce the rules for the presentation of independent candidates and to amend the rules to ensure that the Board of Directors is appointed in accordance with the applicable regulations (amendments to paragraph 1, introduction of a new paragraph 6 and subsequent renumbering of the following paragraphs, and amendment of paragraphs 15, 16, and 18 as renumbered in article 11 of the Bylaws). Related and consequent resolutions.
6. Proposal to include fields of activity closely related to that of the enterprise pursuant to the Decree of the Ministry of Justice No. 162 of 30 March 2000 (amendments to article 22 of the Bylaws). Related and consequent resolutions.
7. Proposal of other amendments to articles 7, 9 and 15 of the Bylaws. Related and consequent resolutions.

**1. First item on the agenda: 1. Proposal to introduce the possibility to hold shareholders' meetings exclusively by appointing a so-called proxy agent (*rappresentante designato*) (amendment to article 8, paragraphs 1 and 2 of the Bylaws). Related and consequent resolutions.**

**1.1. Proposed amendments to the Bylaws**

The proposed amendment to article 8, paragraph 2 of the Bylaws consists in the inclusion of the possibility that the participation and exercise of voting rights in the shareholders' meeting, both ordinary and extraordinary, may only take place through the proxy agent designated by the company pursuant to article 135-*undecies* of the TUF, to whom proxies or sub-proxies may be conferred, pursuant to article 135-*novies*, as an exception to article 135-*undecies*, paragraph 4.

The inclusion of this provision is permitted by article 135-*undecies*.1 of the Consolidated Finance Act introduced by article 11 of Law No. 21/2024 (the '**Capital Markets Act**') containing measures to support the competitiveness of capital.

In view of the inclusion of this provision, the Board of Directors may decide at individual meetings whether to adopt the mode of attendance and voting at the meeting exclusively through the proxy agent by giving notice in the notice of call, without prejudice to the right to establish that attendance at the meeting shall take place in the other forms provided for by law.

Article 135-*undecies*.1 of the Consolidated Finance Act provides that if this method of holding the meeting is adopted:

- (i) the presentation of proposals to resolve on at the meeting is not permitted;
- (ii) without prejudice to the provisions of Article 126-*bis*, paragraph 1, first sentence, those entitled to vote may individually submit proposals to resolve on items on the agenda or proposals the submission of which is otherwise permitted by law no later than fifteen days prior to the date of the first or only calling of the shareholders' meeting;
- (iii) the resolution proposals as set out above are made available to the public on the company's website within two days after the deadline;
- (iv) the legitimacy of the individual submission of resolution proposals is subject to the receipt by the company of the notice provided for in article 83-*sexies*;
- (v) the right to ask questions under article 127-*ter* shall be exercised only prior to the shareholders' meeting and the company shall provide answers to the questions received at least three days before the meeting.

**1.2. Reasons for the proposed amendments to the Bylaws**

Article 135-*undecies*.1 of the TUF was introduced by Article 11 of the Capital Markets Act, making permanent the possibility of holding ordinary and extraordinary shareholders' meetings in the same manner that was used to enable the expression of voting rights also in the context of the COVID-19 pandemic.

The report accompanying the new regulatory text expressly states that the operational experience during the emergency period was taken into account, which demonstrated, on the one hand, the efficiency of the use of the exclusively appointed proxy agent and, on the other hand, the compatibility of the instrument with the shareholder's information and voting rights, of which only the forms, methods and timing of exercise may vary.

The proposal submitted to the shareholders' meeting follows, on the other hand, the evolution of the model of shareholders' meetings of listed companies, which are less and less frequently places for the contextual formation of ideas, opinions, debate and exchange on items on the agenda, and increasingly mere places for the expression of a voting right whose contents are generally formed even before the meeting, based on the information flows ensured by law between shareholders and the Company.

The proposed amendment to article 8, paragraph 1 is appropriate to regulate the subject of proxy voting in full in the second paragraph.

In light of the experience gained during the emergency period, the Board of Directors is therefore convinced that the proposed amendment to the Bylaws provides a useful and efficient alternative for the holding of shareholders' meetings.

### **1.3. Amendments to Article 8, paragraphs 1 and 2 of the Bylaws and related proposal for resolution**

Taking all of the above into account, we hereby submit to you the amendments to the Bylaws set out below in table form with the current text of article 8, paragraph 1 and 2 (left-hand column) compared with the text containing the amendments to be adopted (right-hand column), inviting you, if you agree, to approve these proposals, all highlighted in bold.

It should be noted that the proposed amendments, if approved, will be effective as of registration with the competent Register of Companies of the resolution at the Extraordinary Shareholders' Meeting convened for 6 September 2024 at a single calling, and do not grant the right of withdrawal pursuant to Article 2437 of the Italian Civil Code and, therefore, shareholders who do not participate in the relevant resolutions shall not have the right to withdraw for all or part of their shares.

Current text	Proposed text
Article 8, paragraphs 1 and 2 (Attendance at the meeting and proxy agent)	
1. The right to attend the Shareholders' Meeting and to appoint a proxy to attend are regulated by applicable legislation on the subject.	1. The right to attend the Shareholders' Meeting <del>and to appoint a proxy to attend</del> is governed by the applicable regulations.
2. Proxies can be notified to the Company by Certified Electronic Mail before the start of the Meeting to the address indicated in the notice of meeting.	<b>2. Those entitled to vote may be represented at the meeting by issuing a written proxy, within the limits and in the manner provided by law.</b> Proxies can be notified to the Company by Certified Electronic Mail before the start of the Meeting to the address indicated in the notice of meeting. <b>Attendance at the shareholders' meeting, whether ordinary or extraordinary, and the exercise of voting rights may take place solely through the proxy agent designated by the company in accordance with article 135-undecies of the Consolidated Finance Act where provided for by, and in compliance with, the law, including regulations, in force at the time, according to the provisions of the notice of call. The proxy agency may also be granted</b>

	<b>proxies or sub-proxies pursuant to article 135-novies of the Consolidated Finance Act.</b>
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In view of the above, if you agree with the proposal we have submitted to you, we submit the following proposal for your approval.

*"The Shareholders' Meeting of CIR S.p.A., convened in extraordinary session:*

- *having examined the Board of Directors' Explanatory Report;*
- resolves***
- *to approve the proposal to amend paragraphs 1 and 2 of Article 8 of the Bylaws according to the text transcribed in the Directors' Explanatory Report on the First item on the agenda;*
  - *to mandate the Board of Directors, and on its behalf the Chairman of the Board of Directors with the power to sub-proxy within the limits of the law, including all the broadest powers to execute the above resolutions and to fulfil the necessary formalities, including the registration of the resolution in the Register of Companies, so that the adopted resolutions may obtain the approvals required by law, with the power to introduce any non-substantial amendments, additions or deletions that may be required for the purpose, also during registration and in general to do whatever is necessary for the complete execution of the said resolutions, with any and all powers necessary and appropriate for such purpose, none excluded and excepted, also in order to execute any formality, deed, filing of petitions or documents, required by the competent market supervisory authorities and/or by the provisions of law or regulations however applicable."*

**2. Second item on the agenda: Proposal to introduce the possibility to hold shareholders' meeting exclusively by telecommunications means (amendment to article 8, paragraph 3 of the Bylaws). Related and consequent resolutions.**

**2.1. Proposed amendments to the Bylaws**

The proposed amendment to paragraph 3 of Article 8 of the Bylaws entails the introduction of the possibility to hold Ordinary and Extraordinary Shareholders' Meetings exclusively by means of telecommunication, even without specifying the physical location where the meeting is to take place. In any case, it will not be necessary for the Chairman, Secretary, and/or Notary to be present in the same location, provided that the collegial method and the principles of good faith and equal treatment of shareholders are respected.

**2.2. Reasons for the proposed amendments to the Bylaws**

The proposed amendment to paragraph 3 of Article 8 of the Bylaws aims to ensure maximum flexibility and organisational efficiency in the conduct of the Company's Shareholders' Meetings, based on and in accordance with recent regulatory frameworks and established notarial practices in this matter.

The provision falls within the scope of the regulatory interpretation of the Milan Notarial Council, which, in its Guideline No. 200 of 23 November 2021 ("*Statutory clauses authorising the convening of meetings exclusively by means of telecommunication*"), deemed it "*legitimate for the bylaws of joint-stock companies [...] to include clauses that, in allowing attendance in the meeting by means of telecommunication pursuant to Article 2370, paragraph 4, of the Italian Civil Code, expressly grant the administrative body the power to establish in the notice of meeting that the meeting should be held exclusively by means of telecommunication, without specifying the physical location where the meeting will take place.*"

In recent years, the Board of Directors has positively evaluated the increasing use of "remote" methods. Specifically, during Shareholders' Meetings held without the physical presence of shareholders and through the exclusive granting of proxies to the proxy agent, the Board has observed that these organisational methods have facilitated shareholder attendance and streamlined the conduct of the meeting without compromising its quality.

As highlighted by the Milan Notarial Council in its commentary on the aforementioned Guideline, it is considered that the aforementioned statutory clauses do not conflict with the literal provisions of the Italian Civil Code regarding the convening of shareholders' meetings, nor do they pose a potential threat to the principles of collegiality, good faith, and equal treatment of shareholders. On the contrary, to a certain extent, they are seen as enhancing attendance at meetings and fostering dialogue among participants, particularly in light of the currently available technological solutions, thereby promoting, more generally, the exercise of shareholders' rights.

**2.3. Amendments to Article 8, paragraph 3 of the Bylaws and related proposal for resolution**

Taking all of the above into account, we hereby submit to you the amendments to the Bylaws set out below in table form with the current text of article 8 (left-hand column) compared with the text containing the amendments to be adopted (right-hand column), inviting you, if you agree, to approve these proposals, all highlighted in bold.

It should be noted that the proposed amendments, if approved, will be effective as of registration with the competent Register of Companies of the resolution at the Extraordinary Shareholders' Meeting convened for 6 September 2024 at a single calling, and do not grant the right of withdrawal pursuant to Article 2437

of the Italian Civil Code and, therefore, shareholders who do not participate in the relevant resolutions shall not have the right to withdraw for all or part of their shares.

Current text	Proposed text
<p align="center"><b>Article 8</b> <b>(General Meetings)</b></p>	
<p>3. Attendance of the Meeting and the use of electronic voting are allowed when the notice of meeting specifies that this is the case, giving an indication of the procedures and of the requisites required by regulations on the subject.</p>	<p>3. Attendance of the Meeting <b>may take place by means of telecommunication</b> and the use of electronic voting is allowed <b>to the extent that</b> the notice of meeting specifies that this is the case, giving an indication of the procedures and of the requisites required by regulations on the subject. <b>It may be stipulated in the notice of meeting that the Meeting shall be held exclusively by means of telecommunications, in the manner and within the limits set forth in the pro tempore regulations in force, omitting the indication of the physical location of the meeting.</b></p>

In view of the above, if you agree with the proposal we have submitted to you, we submit the following proposal for your approval.

*"The Shareholders' Meeting of CIR S.p.A., convened in extraordinary session:*

- having examined the Board of Directors' Explanatory Report;*

***resolves***

- to approve the proposal to amend paragraph 3 of Article 8 of the Bylaws according to the text transcribed in the Directors' Explanatory Report on the Second item on the agenda;*
- to mandate the Board of Directors, and on its behalf the Chairman of the Board of Directors with the power to sub-proxy within the limits of the law, including all the broadest powers to execute the above resolutions and to fulfil the necessary formalities, including the registration of the resolution in the Register of Companies, so that the adopted resolutions may obtain the approvals required by law, with the power to introduce any non-substantial amendments, additions or deletions that may be required for the purpose, also during registration and in general to do whatever is necessary for the complete execution of the said resolutions, with any and all powers necessary and appropriate for such purpose, none excluded and excepted, also in order to execute any formality, deed, filing of petitions or documents, required by the competent market supervisory authorities and/or by the provisions of law or regulations however applicable."*

**3. Third item on the agenda: Proposal to enhance the increased voting rights mechanism currently in place (new paragraph 6-bis of article 8 of the Bylaws). Related and consequent resolutions.**

**3.1. Proposed amendments to the Bylaws**

In accordance with the provisions of article 127-*quinquies*, first paragraph, of the TUF, the Company's Bylaws provide for the granting of increased voting rights, with the attribution of two votes for each share held by the same shareholder for an uninterrupted period of no less than forty-eight months starting from the date of registration in the Book of Stable Shareholders (the “**Book**,” as defined in the Bylaws).

The proposal to introduce the new paragraph 6-bis is aimed at taking advantage of the opportunity provided by the amended Article 127-*quinquies* of the TUF, which, following the changes introduced by the Capital Markets Act, allows in its second paragraph for the possibility that Bylaws may grant an additional vote at the end of each twelve-month period following the completion of the uninterrupted period of no less than twenty-four months required by the Bylaws for the ordinary increase, during which the share has been held by the same shareholder registered in the special list kept by the issuing company, up to a maximum of ten votes per share.

The new paragraph 2 of Article 127-*quinquies* of the TUF introduces a mechanism for increasing voting rights beyond the ordinary increase provided for in the first paragraph, which essentially consists of (i) the statutory possibility of attributing up to a maximum of ten votes per share instead of the original two, and (ii) the staggered timing of this additional increase in relation to the ordinary increase, by means of an increment in voting rights that depends on the passage of the holding time, divided into successive segments of twelve months each, at the end of which the shareholder gains one additional vote per share on top of the votes previously acquired.

Therefore, it will first be necessary for an uninterrupted holding period of no less than twenty-four months to have elapsed for the recognition of the double increased voting rights, and only after this period has passed will the additional twelve-month periods begin to accrue, at the end of each of which the additional voting right may be attributed, provided the shares are held continuously.

Pursuant to the second paragraph, second sentence, of the amended Article 127-*quinquies* of the TUF, for shareholders who have already obtained the "ordinary" increase, i.e., the double vote, and are registered in the Book on the date of registration in the Register of Companies of the shareholders' resolution approving the proposed amendment, the additional accrual period starts from the date of registration of the said resolution. **In other words, those who have already obtained the ordinary increase by the date of registration of the resolution amending the Bylaws to introduce the enhanced increased voting rights will acquire the right to a third vote per share at the end of twelve months from the registration of that resolution.**

Conversely, for shareholders who have never requested registration in the special list, due to the sequential nature of the two forms of increase, it will be necessary (i) to register in the special list requesting the ordinary increase of voting rights, (ii) to wait for the first forty-eight months to elapse for the attribution of the second vote, and (iii) to wait for the additional twelve-month periods to elapse starting from the end of the first forty-eight months for the attribution of the additional vote. **In other words, these shareholders will acquire the third vote per share at the end of sixty months from their registration in the enhanced increased voting rights list.**

For shareholders who have been on the list for less than forty-eight months and have therefore not yet accrued the increase, due to the sequential nature of the two forms of increase, it will be necessary (i) to wait for the remaining months to elapse to complete the first uninterrupted holding period of forty-eight



months for the attribution of the second vote, and (ii) to wait for the additional twelve-month periods to elapse starting from the end of the first forty-eight months for the attribution of the additional votes. **In other words, a shareholder who, at the date of registration of the resolution introducing the enhanced increased voting rights, has been registered in the list for twelve months, for example, will acquire the third vote per share after forty-eight months from that date (the second vote at the end of the remaining thirty-six months required to obtain the ordinary increase, and the third at the end of the additional twelve-month period).**

### **3.2. Reasons for the proposed amendments to the Bylaws**

The rules on enhanced voting rights was introduced in Italy in 2014 with the aim of promoting greater competitiveness in the domestic market.

The Company adopted the provision for increased voting rights in 2019, with the declared objective of encouraging equity investments and rewarding “loyal” shareholders, thereby enabling the achievement of medium to long-term business objectives and promoting the participation of stable, including minority, shareholders in governance. At that time, the Board of Directors believed that the stability of the shareholder base was in the best interest of the Company and all its stakeholders, as it allows for the pursuit of long-term value growth for the Company and the Group, and supports profitable and sustainable business development over time. This led to the proposal of a vesting period longer than the minimum required by law, with the conviction that this approach could further strengthen the shareholder loyalty objectives already pursued by the Company and more effectively counter any negative effects arising from market volatility and short-term perspectives of potential speculative investors.

Despite the widespread use of increased voting rights by listed companies, the limited multiplication factor has not appeared to the market as sufficient to adequately reward loyal shareholders and foster support for the growth of companies through capital-raising transactions.

As a result, there have been numerous calls to strengthen the objectives initially pursued by the introduction of increased voting rights with a larger vote multiplier.

The Board of Directors believes that, consistent with the assessments made at the time of the introduction of the increased voting rights in the Bylaws, it is in the interest of all shareholders to exercise the option granted by legislators with the amended Article 127-*quinquies* of the TUF and to introduce enhanced increased voting rights up to the maximum multiplier allowed by law. This includes the provision of an additional vote for every additional 12-month period of uninterrupted shareholding following the accrual of the ordinary increased voting rights after the completion of the first 48-month period of uninterrupted holding.

The objectives that the Board of Directors intends to pursue with the proposed amendment are:

- (i) To introduce an additional incentive mechanism for shareholders interested in long-term investments and, consequently, in the medium to long-term growth of the Company's value. This would result in a stable shareholder base that is not interested in opportunistic voting behaviour aimed at short-term gains that are inconsistent with the Company's growth prospects;
- (ii) As an additional effect of maintaining and strengthening a stable shareholder base, to expand the opportunities for pursuing growth through capital operations, such as mergers or demergers aimed at acquiring companies; capital increases with the exclusion of pre-emptive rights reserved for investors interested in joining the shareholder base; share exchange transactions

involving newly issued shares with shares of companies that the Company intends to acquire or with which it intends to establish strategic partnerships, as well as incentive plans involving the issuance of shares to strengthen retention capabilities and attractiveness for potential high-profile external resources.

### **3.3. Effects of the modification to the current increased voting mechanism on the Company's ownership structure**

It should be noted, also in light of Recommendation No. 2 of the Corporate Governance Code approved in January 2020 by the Corporate Governance Committee (the "**Corporate Governance Code**"), that as of the date of this Report, based on the Company's shareholders' book, supplemented with the Consob notifications received by the Company pursuant to Article 120, paragraphs 1 and 2, of the TUF, and the available information, the shareholders currently holding, directly or indirectly, more than 5% of the Company's voting share capital are as follows:

- (i) Fratelli De Benedetti S.p.A. (**FDB**), which directly holds 49.822 % of the share capital in voting rights;
- (ii) COBAS ASSET MANAGEMENT SGIIC, SA (**COBAS**), which directly holds a 14.435% interest in the share capital in voting rights, of which 13.176% are shares with increased voting rights.

There are additional shareholders, apart from FDB and COBAS, who are registered in the Book of Stable Shareholders and have obtained increased voting rights, but who hold interests of less than 5% of the share capital.

In the event that all shareholders currently registered in the Book were the only ones to benefit from enhanced increased voting rights, with reference to the interest registered in the Book as of the date of this Report and up to a maximum of 10 times the number of shares held that have obtained the increased voting rights, and no other shareholder were to request enhanced increased voting rights, the percentage of voting rights exercisable at the shareholders' meeting would increase over the years, as indicated in the following table<sup>1</sup>:

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<sup>1</sup> Pursuant to article 2357-ter, second paragraph, and article 2368, third paragraph, of the Italian Civil Code, treasury shares from time to time held by the Company are counted for the purpose of the regular constitution of the shareholders' meeting and are, on the other hand, excluded for the purpose of calculating the majority and the share of capital required for the approval of resolutions.

Year	Votes per FDB and/or COBAS share	Percentage of FDB voting rights	Percentage of COBAS voting rights	Percentage of voting rights of other shareholders <sup>2</sup>
2025	3	57.04%	15.90%	27.05%
2026	4	60.67%	16.60%	22.73%
2027	5	63.07%	17.06%	19.87%
2028	6	64.77%	17.39%	17.84%
2029	7	66.04%	17.63%	16.32%
2030	8	67.03%	17.82%	15.15%
2031	9	67.82%	17.97%	14.21%
2032	10	68.46%	18.10%	13.44%

The preceding calculations are also based on the assumption that shareholders will maintain their current interest in the capital and the number of shares registered in the Book. The figures provided remain subject, in any case, to the effects of any exercise of withdrawal rights by shareholders.

In light of the above, it is not expected that the introduction of enhanced increased voting rights will have significant effects on the Company's ownership structure or its future strategies.

It should be noted that pursuant to article 127-*quinquies*, paragraph 10, of the Consolidated Finance Act, unless otherwise provided for in the Bylaws, *“the increased voting rights are also counted for the determination of constitutive and deliberative quorums that refer to rates of share capital. The increase does not affect rights other than voting rights, which are associated with the ownership of specific percentages of capital.”*

### **3.4. Decision-making process followed in the formulation of the proposed amendments to the Bylaws**

In compliance with Recommendation No. 2 of the Corporate Governance Code, it is noted that the present proposal to amend the Bylaws was unanimously approved by the Board of Directors on 29 July 2024. This matter falls outside the responsibilities of the board committees, and the resolution received favourable votes from the independent directors—who constitute the majority of the current Board of Directors—leading to its submission to the Extraordinary Shareholders' Meeting.

At the meeting of the Board of Directors, the Chairman of the Board of Directors, Rodolfo De Benedetti, and the directors Edoardo De Benedetti and Marco De Benedetti, also for the purposes of Article 2391 of the Italian Civil Code, declared their interest in the resolution as shareholders of Fratelli De Benedetti S.p.A.

The decision to submit the proposed amendment to the Bylaws was unanimously made for the reasons

<sup>2</sup> The percentage refers, in aggregate, to the voting rights of shareholders who have not obtained increased voting rights and to the rights of shareholders who have already obtained the ordinary increase, excluding FDB and COBAS, assuming their voting rights increase up to a maximum of 10 times the number of shares held.

outlined in this Report.

### 3.5. Right of withdrawal

In accordance with Article 127-*quinquies*, paragraph 8, of the TUF, the proposed amendments, if approved, grant the right of withdrawal under Article 2437, paragraph 1, of the Italian Civil Code, to those who do not concur in adopting the related resolution.

It should be noted that the right of withdrawal may be exercised by dissenting shareholders in relation to all or part of the shares they hold, by sending a registered letter with return receipt to the registered office of CIR S.p.A., Via Ciovassino No. 1, 20121, Milan, no later than 15 (fifteen) days from the date of registration of the resolution of the Extraordinary Shareholders' Meeting approving the present amendment to the Bylaws with the Register of Companies of Milan Monza Brianza Lodi.

A notice regarding the registration, along with further details on the exercise of the right of withdrawal, will be provided to the Company's shareholders in accordance with applicable legislative and regulatory provisions.

Shareholders who exercise the right of withdrawal must provide a specific notification from an authorised intermediary certifying the ownership of the shares subject to withdrawal from before the start of the Extraordinary Shareholders' Meeting that will resolve on the amendment to the Bylaws and uninterruptedly up to the date of the aforementioned notification.

Once the 15-day period has expired, the Company's shares for which the right of withdrawal has been exercised will be offered to the other shareholders, and subsequently, any unsold shares may be offered to third parties; any remaining unsold shares will be purchased by the Company at the liquidation price. The aforementioned offering and sale procedure, as well as the payment of any amount due to withdrawing shareholders, will be subject to the non-occurrence of the Condition, as defined below.

The Company's shares for which the right of withdrawal is exercised may not be sold or otherwise disposed of until the transfer of said shares or until the occurrence (unless waived) of the resolute conditions attached to the aforementioned amendment to the Bylaws.

Pursuant to article 2437-ter, paragraph 3, of the Italian Civil Code, the liquidation price to be paid to withdrawing shareholders for each share for which the right of withdrawal is exercised is € 0.5454. This price was determined exclusively by reference to the arithmetic average of the closing prices of CIR shares recorded on the Italian Electronic Stock Exchange of Borsa Italiana S.p.A. in the six months preceding the publication of the notice convening the Shareholders' Meeting whose resolutions legitimize the withdrawal, i.e., on 2 August 2024.

The proposed amendment to the Bylaws, if approved, will become effective from the date of registration of the resolution of the Extraordinary Shareholders' Meeting with the Register of Companies.

The effectiveness of the amendment to the Bylaws described in this Explanatory Report will cease if the total amount to be paid by the Company to withdrawing shareholders exceeds € 60 million (the "**Condition**"), it being understood that, in any case, and for clarity, the Withdrawal Amount will be calculated net of the amounts due from shareholders exercising their rights of option and preemption pursuant to Article 2437-*quater* of the Italian Civil Code.

In the event that the Condition is fulfilled and consequently the amendment to the Bylaws becomes ineffective, the shares in respect of which the right of withdrawal has been exercised shall continue to be owned by the shareholders who have exercised the right of withdrawal, without any payment being due by the Company to such shareholders.

### 3.6. Introduction of paragraph 6-bis to Article 8 of the Bylaws and related proposal for resolution

Taking all of the above into account, we hereby submit to you the amendments to the Bylaws set out below in table form with the current text of article 8 (left-hand column) compared with the text containing the amendments to be adopted (right-hand column), inviting you, if you agree, to approve these proposals, all highlighted in bold.

Current text	Proposed text
<b>Article 8</b> <b>(General Meetings)</b>	
6. In waiver of what is stated in the previous clause, each share gives the right to two votes if the following requisites are both fulfilled: a) the voting right is the entitlement of the same person or entity on the strength of a real right giving such legitimacy (full ownership with voting rights, bare ownership with voting rights or usufruct with voting rights) for an uninterrupted period of no less than forty-eight months; b) the presence of the condition in a) is attested by the uninterrupted registration for a period of no less than forty-eight months in the list in the Book of Stable Shareholders (“ <b>Book</b> ”) specially set up, held and updated by the Company.	Unchanged
(New)	<b>6-bis. Within the limits of the applicable provisions of law, each share belonging (by virtue of a legitimating right in rem) to the same person entered in the Book shall be attributed 1 (one) additional vote at the end of each period of 12 (twelve) months starting from the acquisition of the double vote referred to in paragraph 6. above, up to a total maximum of ten votes per share. In accordance with Article 127-quinquies, paragraph 2, last sentence, of the Consolidated Finance Act, those who, on the date of registration of the resolution of the Extraordinary Shareholders' Meeting approving this paragraph 6-bis taken on 6 September 2024 with the competent Register of Companies, are entered in the Book and have already accrued the benefit of double voting, the further accrual period shall commence from that date.</b>

*"The Shareholders' Meeting of CIR S.p.A., convened in extraordinary session:*

- having examined the Board of Directors' Explanatory Report;*

**resolves**

- *To approve the proposal to introduce the new paragraph 6-bis of Article 8 of the Bylaws as transcribed in the Explanatory Report of the Directors concerning the Third item on the agenda, establishing that the effectiveness of this amendment is subject to the resolute condition set in the interest of the Company, granting the Board of Directors all necessary or even merely appropriate powers to waive the same condition: that the amount of money that may eventually be paid by the Company to withdrawing shareholders, net of the amounts due from shareholders exercising their rights of option and preemption pursuant to Article 2437-quater of the Italian Civil Code, exceeds a total amount of € 60 million;*
- *to mandate the Board of Directors, and on its behalf the Chairman of the Board of Directors with the power to sub-proxy within the limits of the law, including all the broadest powers to execute the above resolutions and to fulfil the necessary formalities, including the power to ascertain the fulfilment of the condition indicated in the preceding point of this resolution, which renders ineffective all that is provided for in this resolution, or the waiver of such condition by the Company, to proceed with the registration of the resolution in the Register of Companies, with the power to introduce any non-substantial amendments, additions or deletions that may be required for the purpose, also during registration and in general to do whatever is necessary for the complete execution of the said resolutions, with any and all powers necessary and appropriate for such purpose, none excluded and excepted, also in order to execute any formality, deed, filing of petitions or documents, required by the competent market supervisory authorities and/or by the provisions of law or regulations however applicable."*

**4. Fourth item on the agenda: Specification of the cases of preservation of increased voting rights provided for in the regulations and other changes to the rules of the Bylaws on increased voting (amendments to paragraphs 7 to 14 of article 8 of the Bylaws and consequent renumbering of subsequent paragraphs). Related and consequent resolutions.**

**4.1. Proposed amendments to the Bylaws**

**4.1.1. Retention of increased voting rights**

Article 127-quinquies, paragraph 5, of the TUF provides that *'the transfer of the share for consideration or free of charge or the direct or indirect transfer of controlling interests in companies or entities that hold shares with increased voting rights (...) to an extent exceeding the threshold provided for in Article 120, paragraph 2, entails the loss of the increased voting rights. If the bylaws do not provide otherwise, the increased right to vote:*

*a) shall be retained in the case of succession by reason of death and in the case of merger and division of the holder of the shares; (...)"*.

In accordance with the relevant legal provisions, Paragraph 12 of Article 8 of the Bylaws stipulates that *"Without prejudice to the regulations on the subject of the transfer of controlling interests in companies and entities that hold shares with increased voting rights, entrustment to a fiduciary company or the reversal of such entrustment is not significant, provided there has been no change in the trustor and that this has been attested by the trustee before the beginning of each General Meeting."* Paragraph 14 of the same article also provides that *"The increased voting right is maintained in the event of inheritance following a death, and also in the event of a merger or a demerger of the owner of the shares."*

The proposal submitted for the Shareholders' Meeting's approval aims to clarify certain situations in which the increased voting right is retained, which are aligned with the cases provided by law, sharing the underlying rationale and the final effect they produce. Specifically, for the benefit of all the Company's shareholders, it is proposed to consolidate the rules on the retention of the increased voting right into a single paragraph, eliminating the current Paragraph 12 and reformulating the current Paragraph 14 to include, among the cases that allow for the retention of the increased voting right, in addition to entrustment to a fiduciary company or the reversal of such entrustment and succession by inheritance under the already established terms, also:

- (i) the transfer without consideration to the direct descendants of the settlor under a family agreement, or in the case of a gratuitous transfer following the establishment and/or endowment of a trust, a family fund, or a foundation whose beneficiaries are the settlor or their legitimate heirs;
- (ii) where the shareholding is held in a trust, the change of trustee provided that the beneficiaries of the trust do not change;
- (iii) the merger or demerger of the holder of the shares, including mergers or demergers pursuant to Legislative Decree No. 19 of 2 March 2023, in favour of the incorporating company resulting from the merger or the beneficiary company of the demerger, provided that the incorporating company resulting from the merger or the beneficiary of the demerger is controlled, directly or indirectly, by the same entity that, directly or indirectly, controls the holder of the relevant real right;
- (iv) the establishment, by the person registered in the Book, of a pledge or usufruct on the shares, provided that the voting right remains with the person who established the pledge or granted the usufruct;
- (v) the transfer from one portfolio to another of UCITS (as defined in article 1, paragraph 1, letter k)

of Legislative Decree No. 58 of 24 February 1998) managed by the same entity.

#### 4.1.2. Other modifications to the system of increased voting

It is proposed to reformulate the current paragraphs 7, 8, and 11 of Article 8 with the aim of (i) eliminating references to outdated legal provisions; (ii) replacing them with a general reference to the applicable legal provisions from time to time with regard to the procedures for registration in the Book and the exercise of increased voting rights; and (iii) clarifying the nature of the section of the Book referred to in paragraph 8.

### **4.2. Reasons for the proposed amendments to the Bylaws**

#### 4.2.1. Retention of increased voting rights

The Board of Directors believes that explicitly defining the most common scenarios that fall within the cases permitted by law will provide greater clarity and, in turn, facilitate the operational management of the increased voting right when such situations arise.

#### 4.2.2. Other modifications to the system of increased voting

The Board of Directors considers that referring to the applicable legal provisions, while maintaining clarity, allows the Bylaws to avoid requiring updates in the event of changes to the relevant regulatory provisions.

### **4.3. Amendments to Article 8 and related proposal for resolution**

Taking all of the above into account, we hereby submit to you the amendments to the Bylaws set out below in table form with the current text of article 8 (left-hand column) compared with the text containing the amendments to be adopted (right-hand column), inviting you, if you agree, to approve these proposals, all highlighted in bold.

It should be noted that these amendments will take effect upon registration with the competent Register of Companies of the resolution of the Extraordinary Shareholders' Meeting scheduled for 6 September 2024 at single calling, and that none of these amendments fall within the scope of Article 2437 of the Italian Civil Code. Therefore, shareholders who do not vote in favour of the related resolutions will not have the right to withdraw for all or part of their shares.

Current text	Proposed text
<b>Article 8</b> <b>(General Meetings)</b>	
7. The Company registers in the Book each Shareholder who applies for registration through an intermediary, as defined by Art. 1 of the Regulations giving the rules for centralized management, settlement and guarantee system services, and for the relative management companies, issued jointly by Bank of Italy and Consob (the “ <b>Measure</b> ”).	7. The Company registers in the Book each Shareholder who applies for registration by <b>attaching a notification certifying title to relevant real right issued through a</b> by the intermediary, <b>in accordance with the applicable laws and regulations in force at the time and containing the information required by the applicable laws and regulations in force at the time</b> <del>as defined by Art. 1 of the Regulations giving the rules for centralized management, settlement and guarantee system services, and for the relative management companies, issued jointly by Bank of Italy and Consob (the “Measure”).</del>



8. The application can be for all or only a part of the shares belonging to the shareholder and, except for what is stated in paragraph 13, will involve the automatic registration in the appropriate section of the list in the Book after forty-eight months from the registration in the same Book. All of which according to and as an effect of the terms of Article 143-quater of the Rules for Issuers issued by Consob.	8. The application can be for all or only a part of the shares belonging to the shareholder and, except for what is stated in paragraph 143, will involve the automatic registration in the appropriate section of the list in the Book <b>of those who have attained the right to increased voting right</b> after forty-eight months from the registration in the same Book. All of which according to and as an effect of the terms of Article 143-quater of the Rules for Issuers issued by Consob.
9. The application must be accompanied by a certification/notification containing the information as per Art. 21 of the Measure with the clause “until revoked”.	<del>9. The application must be accompanied by a certification/notification containing the information as per Art. 21 of the Measure with the clause “until revoked”.</del>
10. The Company ensures that registrations and updates to the Book are made every month, on the first working day of the month following that in which the application and the certification/notification is received.	<del>10.9.</del> The Company ensures that registrations and updates to the Book are made every month, on the first working day of the month following that in which the application and the certification/notification is received.
11. For the purpose of exercising the increased vote the shareholder must for each General Meeting request the issue of a certification/notification as per the terms of the Measure, attesting the length of uninterrupted time of ownership of the shares for which the voting right is to be increased.	<del>11.10.</del> For the purpose of exercising the increased vote the shareholder <b>shall be required to provide the issuer with any certifications that may be required pursuant to the applicable laws and regulations in force at the time</b> <del>must for each General Meeting request the issue of a certification/notification as per the terms of the Measure, attesting the length of uninterrupted time of ownership of the shares for which the voting right is to be increased.</del>
12. Without prejudice to the regulations on the subject of the transfer of controlling interests in companies and entities that hold shares with increased voting rights, entrustment to a fiduciary company or the reversal of such entrustment is not significant, provided there has been no change in the trustor and that this has been attested by the trustee before the beginning of each General Meeting.	<del>12. Without prejudice to the regulations on the subject of the transfer of controlling interests in companies and entities that hold shares with increased voting rights, entrustment to a fiduciary company or the reversal of such entrustment is not significant, provided there has been no change in the trustor and that this has been attested by the trustee before the beginning of each General Meeting.</del>
13. Those who are entitled to the increased voting right can at any time renounce such entitlement irrevocably for all or just some of their shares; renunciation automatically means cancellation from the Book of the shares for which the increased voting rights have been renounced. The same shareholder maintains the right to apply for a new registration in the Book in order to record a new uninterrupted period for the shares for which the right to an increased vote has been renounced.	<del>13.11.</del> Those who are entitled to the increased voting right can at any time renounce such entitlement irrevocably for all or just some of their shares; renunciation automatically means cancellation from the Book of the shares for which the increased voting rights have been renounced. The same shareholder maintains the right to apply for a new registration in the Book in order to record a new uninterrupted period for the shares for which the right to an increased vote has been renounced.

<p>14. The increased voting right is maintained in the event of inheritance following a death, and also in the event of a merger or a demerger of the owner of the shares.</p>	<p><del>14. — The increased voting right is maintained in the event of inheritance following a death, and also in the event of a merger or a demerger of the owner of the shares.</del> 12. The increased voting rights already accrued or, if not yet accrued, the period of ownership required to accrue the increased voting rights:</p> <p>(a) shall be retained in the event of succession by reason of death in favour of the heirs;</p> <p>(b) shall be retained in the event of transfer without consideration to the direct descendants of the settlor under a family agreement, or in the case of a gratuitous transfer following the establishment and/or endowment of a trust, a family fund, or a foundation whose beneficiaries are the settlor or their legitimate heirs;</p> <p>(c) where the shareholding is held in a trust, shall be retained in the event of a change of trustee, provided that the beneficiaries of the trust do not change;</p> <p>(d) where the shareholding is held under entrustment to a fiduciary company, shall be retained in the event of a change of trustee, provided that the settlor remains the same and this is duly certified by the new trustee;</p> <p>(e) shall be retained in the event of merger or demerger of the holder of the shares, including mergers or demergers pursuant to Legislative Decree No. 19 of 2 March 2023, in favour of the incorporating company resulting from the merger or the beneficiary company of the demerger, provided that the incorporating company resulting from the merger or the beneficiary of the demerger is controlled, directly or indirectly, by the same entity that, directly or indirectly, controls the holder of the relevant real right;</p> <p>(f) shall be retained in the event of establishment, by the person registered in the Book, of a pledge or usufruct on the shares, provided that the voting right remains with the person who established the pledge or granted the usufruct;</p> <p>(G) shall be retained in the event of transfer from one portfolio to another of UCITS (as defined in article 1, paragraph 1, letter k) of Legislative Decree No. 58 of 24 February 1998) managed by the same entity.</p>

*"The Shareholders' Meeting of CIR S.p.A., convened in extraordinary session:*

- having examined the Board of Directors' Explanatory Report;*

***resolves***

- to approve the proposals to amend paragraphs 7 to 14 of Article 8 of the Bylaws according to the text transcribed in the Directors' Explanatory Report on the Fourth first item on the agenda and the renumbering of the following paragraphs of Article 8;*
- to mandate the Board of Directors, and on its behalf the Chairman of the Board of Directors with the power to sub-proxy within the limits of the law, including all the broadest powers to execute the above resolutions and to fulfil the necessary formalities, including the registration of the resolution in the Register of Companies, so that the adopted resolutions may obtain the approvals required by law, with the power to introduce any non-substantial amendments, additions or deletions that may be required for the purpose, also during registration and in general to do whatever is necessary for the complete execution of the said resolutions, with any and all powers necessary and appropriate for such purpose, none excluded and excepted, also in order to execute any formality, deed, filing of petitions or documents, required by the competent market supervisory authorities and/or by the provisions of law or regulations however applicable."*

**5. Fifth item on the agenda: Proposals to amend the maximum number of directors, to introduce the rules for the presentation of independent candidates and to amend the rules to ensure that the Board of Directors is appointed in accordance with the applicable regulations (amendments to paragraph 1, introduction of a new paragraph 6 and subsequent renumbering of the following paragraphs, and amendment of paragraphs 15, 16, and 18 as renumbered in article 11 of the Bylaws). Related and consequent resolutions.**

**5.1. Proposed amendments to the Bylaws**

The proposed amendment to Article 11 of the Bylaws, which is submitted for the resolution of the Shareholders' Meeting, concerns certain simplifications and clarifications.

Specifically, the amendment to paragraph 1 aims to reduce the maximum number of directors to a more limited number compared to the current provision of the Bylaws, which allows for the appointment of up to twenty-one members. The objective is to ensure that the management of the Company is entrusted to a board that is not too large in relation to the actual needs of the Company's core activities and is in line with the standards of listed issuers. From this perspective, it is considered that a Board of Directors composed of a minimum of five and a maximum of fifteen members can adequately meet the needs of representativeness and efficiency in the Company's management.

The addition in paragraph 6 addresses the need for alignment with the provisions of Article 147-ter, paragraph 4, of Legislative Decree No. 58/1998 and the Corporate Governance Code.

The amendment to paragraph 15 aims to align with the provisions of the preceding paragraph 6 of the same article. Generally, in listed companies, the Bylaws provide the necessary mechanisms to achieve an optimal composition of the Board of Directors during renewal.

The amendment to paragraph 16 seeks to align with current regulatory requirements concerning the previously established provision in the same paragraph regarding the possession of the requirements of integrity and professionalism for directors.

With reference to the amendment set forth in paragraph 18, it is proposed to simplify the mechanism for the election of directors in cases where the absence of candidate lists or the lack of a sufficient number of candidates in the submitted lists does not allow for the appointment of all the members of the Board of Directors in the number established by the shareholders' meeting. This would involve replacing the provision that requires the repetition of the shareholders' meeting procedure with the possibility of direct election by the shareholders' meeting of the Board of Directors or the missing directors, as the case may be, with the majorities established by law.

**5.2. Reasons for the proposed amendments to the Bylaws**

The proposed amendments to Article 11 aim to align the Company's Bylaws with the current regulatory provisions in force, specifically those outlined in Article 147-ter, paragraph 4, of Legislative Decree No. 58/1998, titled "Election and Composition of the Board of Directors." This article mandates that at least one member of the Board of Directors, or two if the Board is composed of more than seven members, must meet the independence requirements set forth for auditors in Article 148, paragraph 3, of Legislative Decree No. 58/1998.

In this regard, the Corporate Governance Code also stipulates the necessary presence of independent directors on the Board and provides illustrative guidelines for the minimum number of independent directors required depending on the type of company.

In consideration of the above—and with the aim of aligning the Company’s Bylaws with the Corporate Governance Code—it is deemed appropriate to include a clause in the Company’s Bylaws that mandates an assessment of the independence of each non-executive director. If the assessment determines that a director is not independent, this would result in the termination of the independent director's position, unless the minimum number of independent directors required by applicable regulations remains in office.

The proposed amendments are therefore intended to ensure that, during the submission of lists for the renewal of the Board of Directors, the composition of the board is in line with the current regulatory requirements and the Corporate Governance Code.

Regarding the amendment to paragraph 18, it introduces a simplification that allows for a quicker and more efficient process of forming the administrative body in cases where shareholders have not fully or partially exercised their right under the list voting system for the election of the Board of Directors.

### 5.3. Amendments to Article 11 and related proposal for resolution

Taking all of the above into account, we hereby submit to you the amendments to the Bylaws set out below in table form with the current text of article 11 (left-hand column) compared with the text containing the amendments to be adopted (right-hand column), inviting you, if you agree, to approve these proposals, all highlighted in bold.

It should be noted that these amendments will take effect upon registration with the competent Register of Companies of the resolution of the Extraordinary Shareholders' Meeting scheduled for 6 September 2024 at single calling, and that none of these amendments fall within the scope of Article 2437 of the Italian Civil Code. Therefore, shareholders who do not vote in favour of the related resolutions will not have the right to withdraw for all or part of their shares.

Current text	Proposed text
Article 11 (Board of Directors)	
1. The Company is administered by a Board of Directors comprising from five to twenty-one members, who need not necessarily be shareholders, the length of whose mandate shall be determined by the Meeting of the Shareholders but shall not in any case be more than three years, and the said members can be re-elected.	1. The Company is administered by a Board of Directors comprising from five to <del>twenty-one</del> <b>fifteen</b> members, who need not necessarily be shareholders, the length of whose mandate shall be determined by the Meeting of the Shareholders but shall not in any case be more than three years, and the said members can be re-elected.
2. The Shareholders’ Meeting shall decide on the number of Board Members and this number shall remain the same until a resolution changing the number has been adopted.	Unchanged
3. Minority Shareholders are entitled to elect one member of the Board of Directors.	Unchanged
4. The Board of Directors is elected by the Shareholders’ Meeting on the basis of lists presented by the Shareholders which list the candidates in numerical order. The lists, signed by the Shareholders who have presented them, must be filed within the terms and following the procedures prescribed by applicable legislation.	Unchanged
5. Only Shareholders who alone or together with other shareholders represent at least a fortieth part of the share capital or any different percentage that may be decided upon in accordance with the	Unchanged

law or with regulations, can present lists of candidates. They must be able to prove that they own the number of shares required within the terms and following the procedures laid down in legislation applicable.	
[not provided for]	<b>6. Lists containing no more than 7 (seven) candidates must include and identify at least 1 (one) candidate who meets the independence requirements established by the applicable regulations in force at the time for independent directors. Each list containing more than 7 (seven) candidates must include and identify at least 2 (two) candidates who meet the independence requirements established by the applicable regulations in force at the time for independent directors. Failure to comply with the obligations set forth in this paragraph 6 shall result in the list being considered as not submitted.</b>
6. Lists which include a number of candidates equal to or higher than three must include candidates belonging to both genders, in at least the proportion specified in current legislation on the subject of gender balancing.	<del>6</del> 7. Lists which include a number of candidates equal to or higher than three must include candidates belonging to both genders, in at least the proportion specified in current legislation on the subject of gender balancing.
7. Any lists presented that do not comply with these instructions shall be considered as not having been presented.	<del>7.8</del> Any lists presented that do not comply with these instructions shall be considered as not having been presented.
8. No Shareholder can present or contribute to the presentation of more than one list, even indirectly through a third party or a fiduciary company. Shareholders subject to the same control, in accordance with Art. 93 of the Financial Intermediation Consolidation Act, or those taking part in the same shareholder pact for voting purposes may present or contribute to the presentation of just one list.	<del>8. 9</del> No Shareholder can present or contribute to the presentation of more than one list, even indirectly through a third party or a fiduciary company. Shareholders subject to the same control, in accordance with Art. 93 of the Financial Intermediation Consolidation Act, or those taking part in the same shareholder pact for voting purposes may present or contribute to the presentation of just one list.
9. Each Shareholder can vote for just one list.	<del>9. 10</del> Each Shareholder can vote for just one list.
10. Each candidate can stand only in one list, otherwise he or she cannot be elected.	<del>10</del> 11. Each candidate can stand only in one list, otherwise he or she cannot be elected.
11. Together with the presentation of the list, and with the same time frame as the latter, declarations shall be presented in which the candidates accept their candidature and certify under their own responsibility that there are no reasons why they should not be elected nor is there any incompatibility prescribed by law and by current regulations for Members of Boards of Directors. A curriculum vitae must also be	<del>11</del> 12. Together with the presentation of the list, and with the same time frame as the latter, declarations shall be presented in which the candidates accept their candidature and certify under their own responsibility that there are no reasons why they should not be elected nor is there any incompatibility prescribed by law and by current regulations for Members of Boards of Directors. A curriculum vitae must also be

submitted with the personal and professional details of the candidate and details of any other positions of director or auditor held in other companies and whether he or she has the necessary requisites to be an independent Director in accordance with the terms of the law and with regulations.	submitted with the personal and professional details of the candidate and details of any other positions of director or auditor held in other companies and whether he or she has the necessary requisites to be an independent Director in accordance with the terms of the law and with regulations.
12. Any incompleteness or irregularity regarding individual candidates will lead to the elimination of their names from the list that will be put to the vote.	<del>12-13.</del> Any incompleteness or irregularity regarding individual candidates will lead to the elimination of their names from the list that will be put to the vote.
13. In order to be able to appoint the candidates indicated, the lists presented and put to the vote must obtain a percentage of the votes that is at least half of the percentage required by the terms of this article for presenting the same lists. If this is not the case, any such list will not be taken into consideration.	<del>13-14.</del> In order to be able to appoint the candidates indicated, the lists presented and put to the vote must obtain a percentage of the votes that is at least half of the percentage required by the terms of this article for presenting the same lists. If this is not the case, any such list will not be taken into consideration.
<p>14. To elect the members of the Board of Directors the following procedure will be used:</p> <p>a) From the list which obtains most votes at the Shareholders' Meeting all of the board members shall be drawn except for one and this shall be on the basis of the order in which the names appear on the list;</p> <p>b) The other director will be the first name on the list that obtains the second most votes and must not be connected in any way, not even indirectly, to the Shareholders who presented and voted for the first list that received the most votes.</p> <p>When application of the procedure described in a) and b) above does not give the gender balance required by current legislation, the last director elected from the list that obtained the most votes belonging to the most represented gender shall lapse and shall be replaced by the first candidate not elected from the same list belonging to the least represented gender, in compliance with the requirements of the law. Otherwise, the Shareholders' Meeting shall make up the number of the administrative body with the majorities required by law, ensuring compliance with the terms of the law.</p>	<p><del>14-15.</del> To elect the members of the Board of Directors the following procedure will be used:</p> <p>a) From the list which obtains most votes at the Shareholders' Meeting all of the board members shall be drawn except for one and this shall be on the basis of the order in which the names appear on the list;</p> <p>b) The other director will be the first name on the list that obtains the second most votes and must not be connected in any way, not even indirectly, to the Shareholders who presented and voted for the first list that received the most votes.</p> <p>When application of the procedure described in a) and b) above does not give the gender balance required by current legislation, <b>or the minimum number of independent directors required by law, depending on the number of members of the Board of Directors in accordance with the regulations in force at the time,</b> the last director elected from the list that obtained the most votes belonging to the most represented gender shall lapse and shall be replaced by the first candidate not elected from the same list belonging, <b>as the case may be,</b> to the least represented gender <b>and/or who is independent, in compliance with legal requirements, or, failing that, with the candidate, as the case may be, of the least represented gender and/or who is independent not elected from the other lists in the progressive order in which they are presented, according to the number of votes obtained by each. This substitution procedure shall continue until the composition of the Board of Directors</b></p>

	<p>complies with the regulations in force at the time. If, ultimately, this procedure does not achieve the desired outcome, the shareholders' meeting, if permitted by the procedures governing the conduct of the meeting, in compliance with the requirements of the law. Otherwise, the Shareholders' Meeting shall make up the number of the administrative body with the majorities required by law, ensuring compliance with the terms of the law. Otherwise, the Shareholders' Meeting shall make up the number of the administrative body with the majorities required by law, ensuring compliance with the terms of the law. <b>shall supplement</b> the administrative body with the legal majorities, ensuring compliance with the legal requirements.</p>
<p>15. All the Directors elected must possess the requisites of integrity and professionalism required by current rules. If they do not have these qualities their appointment will lapse.</p>	<p><del>15</del> 16. All the Directors elected must possess the requisites of integrity and professionalism required by current rules. If they do not have these qualities their appointment will lapse. <b>The Board of Directors periodically assesses the independence of the directors based on the information provided by the directors themselves. The loss of the independence requirements prescribed by law by a director does not constitute grounds for removal, provided that the minimum number of members possessing the aforementioned independence requirements, as required by the applicable regulations, remains in office.</b></p>
<p>16. In the event that only one list is presented for the vote, all the Directors shall be drawn from that list.</p>	<p><del>16</del> 17. In the event that only one list is presented for the vote, all the Directors shall be drawn from that list.</p>
<p>17. In the event that no lists are presented or that fewer Directors are elected than the number determined by the Shareholders' meeting, then the same Shareholders must be reconvened in order to appoint the full Board of Directors.</p>	<p><del>17</del> 18. In the event that no lists are presented or that fewer Directors are elected than the number determined by the Shareholders' meeting, the Shareholders' meeting <del>must be reconvened to appoint the entire Board of Directors</del> <b>shall provide, as the case may be, for the election of the Board of Directors or of the directors necessary to reach the number determined by the Shareholders' Meeting with the majorities required by law.</b></p>
<p>18. When one or more Directors needs to be replaced due to a resignation or some other reason, the procedure as per Art. 2386 of the Civil Code will be followed, ensuring that all the requisites applicable are complied with.</p>	<p><del>18</del> 19 When one or more Directors needs to be replaced due to a resignation or some other reason, the procedure as per Art. 2386 of the Civil Code will be followed, ensuring that all the requisites applicable are complied with.</p>



In view of the above, if you agree with the proposal we have submitted to you, we submit the following proposal for your approval.

*"The Shareholders' Meeting of CIR S.p.A., convened in extraordinary session:*

- having examined the Board of Directors' Explanatory Report;*

***resolves***

- to approve the proposal to amend Article 11 of the Bylaws according to the text transcribed in the Directors' Explanatory Report on the Fifth item on the agenda;*
- to mandate the Board of Directors, and on its behalf the Chairman of the Board of Directors with the power to sub-proxy within the limits of the law, including all the broadest powers to execute the above resolutions and to fulfil the necessary formalities, including the registration of the resolution in the Register of Companies, so that the adopted resolutions may obtain the approvals required by law, with the power to introduce any non-substantial amendments, additions or deletions that may be required for the purpose, also during registration and in general to do whatever is necessary for the complete execution of the said resolutions, with any and all powers necessary and appropriate for such purpose, none excluded and excepted, also in order to execute any formality, deed, filing of petitions or documents, required by the competent market supervisory authorities and/or by the provisions of law or regulations however applicable."*

**6. Sixth item on the agenda: Proposal to include fields of activity closely related to that of the enterprise pursuant to the Decree of the Ministry of Justice No. 162 of 30 March 2000 (amendments to article 22 of the Bylaws). Related and consequent resolutions.**

**6.1. Proposed amendments to the Bylaws**

The proposed amendment to paragraph 1 of Article 22 aims to align the statutory provision with the requirements of Article 2397 of the Italian Civil Code concerning the composition of the Board of Statutory Auditors.

The Board of Directors also proposes to specify the subjects and sectors of activity that are closely related to the business of the company, for the purposes of the provisions set forth in paragraph 2, letters b) and c) of Article 1 of the Ministerial Decree No. 162 of 30 March 2000, which establishes the requirements of professionalism and integrity for members of the Board of Statutory Auditors of listed companies, issued pursuant to Article 148 of Legislative Decree No. 58 of 24 February 1998 (the "**Decree**").

Specifically, the Decree requires that listed companies select at least one regular statutory auditor, if the Board is composed of three members, or at least two regular statutory auditors, if the Board is composed of more than three members, and in both cases, at least one alternate statutory auditor from among those registered in the register of statutory auditors who have carried out legal auditing activities for a period of not less than three years.

Statutory auditors who do not meet this requirement must be selected from among those who have acquired a total of at least three years' experience in:

- (a) administrative or control activities or executive duties at joint-stock companies with a share capital of not less than two million euros; or
- b) professional activities or university-level teaching in legal, economic, financial, technical and scientific subjects closely related to the company's business activities; or
- c) executive functions at public entities or public administrations operating in the banking, financial, and insurance sectors or, in any case, in sectors closely related to the company's business activities.

For the purposes of letters b) and c), the Decree requires that the Bylaws specify the subjects and sectors of activity closely related to the company's business.

**6.2. Reasons for the proposed amendments to the Bylaws**

The proposed reformulation of the first paragraph of Article 22 of the Bylaws is motivated by a need for clarity and alignment with the provisions of the Civil Code.

The addition to paragraph 20 of Article 22 is proposed in accordance with the provisions of the Decree.

**6.3. Amendments to Article 22 of the Bylaws and related proposal for resolution**

Taking all of the above into account, we hereby submit to you the amendments to the Bylaws set out below in table form with the current text of article 22 (left-hand column) compared with the text containing the amendments to be adopted (right-hand column), inviting you, if you agree, to approve these proposals, all highlighted in bold.

It should be noted that these amendments will take effect upon registration with the competent Register of Companies of the resolution of the Extraordinary Shareholders' Meeting scheduled for 6 September 2024 at single calling, and that none of these amendments fall within the scope of Article 2437 of the Italian Civil

Code. Therefore, shareholders who do not vote in favour of the related resolutions will not have the right to withdraw for all or part of their shares.

Current text	Proposed text
<b>Article 22</b> <b>(Statutory Auditors)</b>	
1. The Board of Statutory Auditors consists of three Statutory Auditors and three Alternate Auditors whose term of office lasts for three financial years and who can be re-elected.	<del>1. The Board of Statutory Auditors consists of three Statutory Auditors and three Alternate Auditors whose</del> <b>1. The Shareholders' Meeting elects the Board of Statutory Auditors, composed of three statutory auditors, and determines their remuneration. The Shareholders' Meeting also elects three alternate statutory auditors. The Statutory Auditors hold office for three financial years and can be re-elected.</b>
2. Minority shareholders have the right to elect one Statutory Auditor and one Alternate Auditor.	Unchanged.
3. The Board of Statutory Auditors is appointed by the Shareholders' Meeting on the basis of lists of candidates presented by the Shareholders in two sections: one section for the candidates for the position of Statutory Auditor and the other containing the candidates for the position of Alternate Auditor, and in each section the candidates are listed in numerical order. Lists that include a number of candidates equal to or higher than three must include in each section candidates belonging to both genders.	Unchanged.
4. The lists of candidates, signed by the Shareholders who are presenting them, must be filed within the time frames and following the procedures prescribed by legislation applicable.	Unchanged.
5. Only Shareholders who, either alone or with others, represent at least 2.5% of the share capital or any other percentage that may be established by law or by regulations, have the right to present lists and they are required to provide proof of ownership of the required number of shares within the time limits and following the procedures laid down by law.	Unchanged.
6. Lists presented that do not comply with the above rules will be considered as not having been presented.	Unchanged.
7. No Shareholder can present or contribute to the presentation of more than one list of candidates even through an intermediary or through a	Unchanged.

fiduciary company. Shareholders who are subject to joint control, as per the terms of Art. 93 of the Financial Intermediation Consolidation Act, or those who take part in the same Shareholder agreement for voting purposes can present or jointly present just one list.	
8. Each Shareholder can vote for just one list.	Unchanged.
9. Each candidate can stand only in one list, otherwise he or she cannot be elected.	Unchanged.
10. Candidates who already hold the position of Statutory Auditor for five other companies or organizations whose shares are listed on a regulated market included in the list as per articles 63 and 67 of Legislative Decree No. 58/1998 cannot be included in the list of candidates and neither can individuals who do not possess the necessary requisites of integrity, professionalism and independence laid down in the legislation or regulations on the subject.	10. Candidates who already hold the position of Statutory Auditor for five other companies or organizations whose shares are listed on a regulated market included in the list as per articles 63 and 67 of Legislative Decree No. 58/1998 cannot be included in the list of candidates and neither can individuals who do not possess the necessary requisites of integrity, professionalism and independence laid down in the legislation or regulations on the subject. <b>For the purposes of Article 1, paragraph 2, letters b) and c), of the Decree No. 162 of the Minister of Justice dated 30 March 2000, as subsequently amended and supplemented, the subjects considered closely related to the Company's business activities include commercial law, corporate law, tax law, business administration, corporate finance, disciplines with a similar or analogous focus, as well as subjects and sectors related to the corporate purpose pursued by the Company.</b>
11. Together with each list and within the above-mentioned time limit, a declaration signed by each candidate will be submitted. This declaration will attest that the candidate, under his or her own responsibility, accepts his or her nomination and will certify that there are no reasons why he or she should be ineligible for the position or be otherwise incompatible and that the candidate possesses the necessary requisites laid down by law and by current regulations for the members of Boards of Statutory Auditors.	Unchanged.
12. The lists must also be accompanied by a curriculum vitae with the personal and professional details of the candidate and details of any other positions of director or auditor held in other companies.	Unchanged.
13. Any incompleteness or irregularity regarding individual candidates will lead to the	Unchanged.

elimination of their names from the list to be put to the vote.	
<p>14. The election of the members of the Board of Statutory Auditors will take place as follows:</p> <ol style="list-style-type: none"> <li>1) Two members and two alternate members will be drawn from the list which obtains most votes at the Shareholders' Meeting on the basis of the numerical order in which the names appear on the list;</li> <li>2) The other member and the other alternate member will be drawn from the list which obtains the second most votes at the Shareholders' Meeting ("minority list") and which must not be connected even indirectly with the Shareholders who presented or voted for the list which obtained the most votes, again on the basis of the numerical order in which the names appear on the list;</li> <li>3) If only one list is presented, all the Statutory Auditors and Alternate Auditors will be drawn from that list. When application of the procedure described in 1), 2) and 3) above does not give the gender balance required by current legislation, the last person elected from the section of the list that obtained the most votes belonging to the most represented gender shall lapse and shall be replaced by the first candidate not elected from the same list and the same section belonging to the least represented gender. Otherwise, the Shareholders' Meeting shall make up the number of the Board of Statutory Auditors with the majorities required by law, ensuring that the requirement is complied with.</li> </ol>	Unchanged.
15. The candidate on the minority list who obtained most votes has the right to the position of Chairman of the Board of Statutory Auditors. If only one list is presented, the candidate for the position of Statutory Auditor who is number one on that list has the right to the position of Chairman of the Board of Statutory Auditors.	Unchanged.
16. Should an Auditor prove not to be possession of the qualifications required by law and by these Bylaws then his or her appointment will no longer be valid and will therefore lapse.	Unchanged.
17. Should a Statutory Auditor need to be replaced, the individual taking his or her place will be selected from the same list of candidates as his	Unchanged.

or her predecessor, ensuring that the terms of the law and of the Bylaws are complied with, taking specifically into account the obligation to have gender balance.	
18. The remuneration of the Statutory Auditors is established by the Shareholders' Meeting.	Unchanged.
19. The meetings of the Board of Statutory Auditors can also take place using telecommunications facilities provided that the following conditions are met with: a) That participants are able to view, receive or transmit all the necessary documentation; b) That they can take part in real time in the discussion respecting the methodology of their function (the collegio method).	Unchanged.
20. The meetings are held in the place where the Chairman is or, in his or her absence, where the oldest Statutory Auditor in terms of age is located.	Unchanged.
21. The Board of Statutory Auditors can, provided that the Chairman is notified, call a Shareholders' Meeting, a Board of Directors Meeting or an Executive Committee Meeting. The power to call a Board of Directors Meeting or an Executive Committee Meeting can be exercised individually by any member of 13 the Board of Statutory Auditors; the right to call a Shareholders' Meeting must be exercised by at least two members of the Board of Statutory Auditors.	Unchanged.

In view of the above, if you agree with the proposal we have submitted to you, we submit the following proposal for your approval.

*"The Shareholders' Meeting of CIR S.p.A., convened in extraordinary session:*

- having examined the Board of Directors' Explanatory Report;*

***resolves***

- to approve the proposal to amend paragraphs 1 and 10 of Article 22 of the Bylaws according to the text transcribed in the Directors' Explanatory Report on the Sixth item on the agenda;*
- to mandate the Board of Directors, and on its behalf the Chairman of the Board of Directors with the power to sub-proxy within the limits of the law, including all the broadest powers to execute the above resolutions and to fulfil the necessary formalities, including the registration of the resolution in the Register of Companies, so that the adopted resolutions may obtain the approvals required by law, with the power to introduce any non-substantial amendments, additions or deletions that may be required for the purpose, also during registration and in general to do whatever is necessary for the complete execution of the said resolutions, with any and all powers necessary and appropriate for such purpose, none excluded and excepted, also in order to execute*

*any formality, deed, filing of petitions or documents, required by the competent market supervisory authorities and/or by the provisions of law or regulations however applicable."*

**7. Seventh item on the agenda: Proposal of other amendments to articles 7, 9 and 15 of the Bylaws. Related and consequent resolutions.**

**7.1. Proposed amendments to the Bylaws**

**7.1.1. Regulation of withdrawal (Article 7 of the Bylaws)**

The proposed amendment to paragraph 3 of Article 7 of the Bylaws, which is submitted for the approval of the Shareholders' Meeting, involves the removal of the specific provisions regarding the procedures for exercising the right of withdrawal. This change is intended to allow for a flexible reference to the rules in force at any given time.

**7.1.2. Notice of meeting and resolutions on related party transactions (Article 9 of the Bylaws)**

The proposed amendment to the first paragraph of Article 9 of the Bylaws, which is submitted for the approval of the Shareholders' Meeting, involves the removal of specific references to the obligation to publish the notice of meeting in the newspaper "La Repubblica."

The proposed amendment to the fifth paragraph of Article 9 of the Articles of Association is intended to clarify the purpose of the reference to the regulations on related party transactions in cases where resolutions regarding such transactions must be made by the shareholders' meeting. This clarification specifically relates to the so-called "whitewash" mechanisms in connection with transactions approved despite the negative opinion of the related party transactions committee, as outlined in paragraphs 7.3.1 and 7.5.3 of the Rules for Related Party Transactions adopted by the Company, which is available on the Company's website.

**7.1.3. Duty to give information of directors (Article 15 of the Bylaws)**

The proposed amendment to the fifth paragraph of Article 15 of the Bylaws involves the correction of a clerical error by specifying that the obligation to provide quarterly reports to the Board of Directors applies solely to the Chief Executive Officers.

**7.2. Reasons for the proposed amendments to the Bylaws**

The proposed amendments are all motivated by reasons of clarification and precision.

**7.3. Amendments to Article 7, 9 and 15 of the Bylaws and related proposal for resolution**

Taking all of the above into account, we hereby submit to you the amendments to the Bylaws set out below in table form with the current text of articles 7, 9, and 15 (left-hand column) compared with the text containing the amendments to be adopted (right-hand column), inviting you, if you agree, to approve these proposals, all highlighted in bold.

It should be noted that these amendments will take effect upon registration with the competent Register of Companies of the resolution of the Extraordinary Shareholders' Meeting scheduled for 6 September 2024 at single calling, and that none of these amendments fall within the scope of Article 2437 of the Italian Civil Code. Therefore, shareholders who do not vote in favour of the related resolutions will not have the right to withdraw for all or part of their shares.



Current text	Proposed text
<b>Article 7</b> <b>(Withdrawal)</b>	
1. The right of withdrawal can be exercised by those entitled to do so in the cases and with the procedures provided for by law.	Unchanged
2. However, those who do not take part in the approval of resolutions regarding the renewal of the term of duration of the Company and/or the introduction or the removal of restrictions on the circulation of shares shall not be entitled to withdraw from the Company.	Unchanged
3. A party intending to exercise his or her right of withdrawal shall give notification of the same by registered letter with advice of receipt addressed to the Company and giving, among other things, details of the filing of the certificate attesting membership of the centralized system of managing shares in dematerialized form for the shares on which the same Shareholder is exercising his or her right of withdrawal through an authorized intermediary with a restriction being placed on availability for the purposes of the withdrawal.	<del>3. A party intending to exercise his or her right of withdrawal shall give notification of the same by registered letter with advice of receipt addressed to the Company and giving, among other things, details of the filing of the certificate attesting membership of the centralized system of managing shares in dematerialized form for the shares on which the same Shareholder is exercising his or her right of withdrawal through an authorized intermediary with a restriction being placed on availability for the purposes of the withdrawal.</del>
4. The right of withdrawal will take effect with the Company on the fifteenth day following the date on which the registered letter with advice of receipt sent by the party requesting withdrawal as per point three sentence of this article was actually received, while the provisions of Article 2437-bis, third paragraph, of the Civil Code still in any case apply.	4-3. The right of withdrawal will take effect with the Company on the fifteenth day following the date on which the registered letter with advice of receipt sent by the party requesting withdrawal as per point three sentence of this article was actually received, while the provisions of Article 2437-bis, third paragraph, of the Civil Code still in any case apply.

Current text	Proposed text
<b>Article 9</b> <b>(Calling General Meetings)</b>	
1. A Meeting of the Shareholders is convened in the Company's Headquarters or elsewhere in Italy by publishing a notice of meeting on the internet website of the Company and in the newspaper "La Repubblica" within the terms and following the procedures prescribed by current regulations.	1. A Meeting of the Shareholders is convened in the Company's Headquarters or elsewhere in Italy by publishing a notice of meeting on the internet website of the Company <del>and in the newspaper "La Repubblica" within the terms and following the procedures prescribed by current regulations</del> <b>and in accordance with the other methods provided by the law and regulations in force at the time.</b>
2. The Ordinary Meeting of Shareholders	Unchanged

(Annual General Meeting) must be convened at least once a year within one hundred and twenty days of the close of the Company's financial year.	
3. Where the conditions provided for by law exist, this time limit can be extended to one hundred and eighty days from the close of the Company's financial year.	Unchanged
4. An Extraordinary Meeting of Shareholders is convened in the circumstances laid down by law and whenever the Board deems it to be appropriate.	Unchanged
5. The Ordinary Shareholders' Meeting may pass resolutions required by the Rules for Related Party Transactions adopted by the Company.	5. The Ordinary Shareholders' Meeting may pass resolutions <b>within its competence in relation to related party transactions required in accordance with the applicable laws and regulations in force at the time, the provisions of the Bylaws and as required by the Rules for Related Party Transactions</b> adopted by the Company.

Current text	Proposed text
<b>Article 15</b> <b><i>(Duty to give information)</i></b>	
The Directors must report back to the Board of Directors and to the Board of Statutory Auditors on activities carried out and on anything else required by law at regular intervals of at least once every three months when Board Meetings are held or whenever particular timing needs make it desirable. This report shall be made directly, in writing, or verbally and/or by telephone.	The <b>Managing</b> Directors must report back to the Board of Directors and to the Board of Statutory Auditors on activities carried out and on anything else required by law at regular intervals of at least once every three months when Board Meetings are held or whenever particular timing needs make it desirable. This report shall be made directly, in writing, or verbally and/or by telephone.

In view of the above, if you agree with the proposal we have submitted to you, we submit the following proposal for your approval.

*"The Shareholders' Meeting of CIR S.p.A., convened in extraordinary session:*

- *having examined the Board of Directors' Explanatory Report;*

***resolves***

- *to approve the proposal to amend Articles 7, 9 and 15 of the Bylaws according to the text transcribed in the Directors' Explanatory Report on the Seventh item on the agenda;*

*to mandate the Board of Directors, and on its behalf the Chairman of the Board of Directors with the power to sub-proxy within the limits of the law, including all the broadest powers to execute the above resolutions and to fulfil the necessary formalities, including the registration of the resolution in the Register of Companies, so that the adopted resolutions may obtain the approvals required by law, with the power to*

*introduce any non-substantial amendments, additions or deletions that may be required for the purpose, also during registration and in general to do whatever is necessary for the complete execution of the said resolutions, with any and all powers necessary and appropriate for such purpose, none excluded and excepted, also in order to execute any formality, deed, filing of petitions or documents, required by the competent market supervisory authorities and/or by the provisions of law or regulations however applicable."*