



ORDINARY SHAREHOLDERS' MEETING

Single call – 28 April 2025 – 10:00 am

at

CIR S.p.A.

Via Ciovassino n. 1 - Milano

Report on item 3) on the Agenda

ASSIGNMENT OF THE MANDATE FOR THE CERTIFICATION OF CONFORMITY OF THE CONSOLIDATED SUSTAINABILITY STATEMENT, PURSUANT TO LEGISLATIVE DECREE NO. 125/2024, FOR THE FINANCIAL YEARS 2026-2028; DETERMINATION OF THE RELATED COMPENSATION.

CIR S.p.A.

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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 THIRD ITEM ON THE AGENDA OF THE ORDINARY SHAREHOLDERS' MEETING OF CIR S.P.A. – COMPAGNIE INDUSTRIALI RIUNITE, CONVENED FOR 28 APRIL 2025 (SINGLE CALL)

3. Assignment of the mandate for the certification of conformity of the consolidated sustainability statement, pursuant to Legislative Decree no. 125/2024, for the financial years 2026-2028; determination of the related compensation

Dear Shareholders,

you are called to the Ordinary Shareholders' Meeting to assign the mandate for the certification of conformity of the sustainability reporting, pursuant to Legislative Decree No. 125 of 6 September 2024 (the "Decree"), implementing Directive 2022/2464/EU of 14 December 2022 (Corporate Sustainability Reporting Directive or CSRD) for the financial years 2026/2028.

The Decree - repealing Legislative Decree No. 254 of 30 December 2016, which introduced in Italy the requirement for certain entities to prepare a non-financial statement - reformed the relevant legislation by replacing, firstly, the requirement to prepare the non-financial statement with the requirement to devote a section of the directors' report included in the financial statements - individual and/or consolidated as the case may be - to the new 'sustainability reporting'. This reporting statement, unlike the non-financial statement, must be drawn up according to a specific, common European standard and must include certain minimum information.

As mentioned above, the sustainability statement must be included in the directors' report pursuant to Article 2428 of the Civil Code and must be prepared by the administrative body and approved by the Shareholders' Meeting on a yearly basis, together with the annual financial statements.

Furthermore, pursuant to Article 8 of the Decree, the sustainability statement must be certified (with the report referred to in Article 14-*bis* of Legislative Decree No. 39/2010) by an auditor authorised pursuant to Legislative Decree No. 39/2010 in relation to:

- * conformity of the statement with the rules of the Decree governing its preparation criteria;
- * conformity with the requirement to mark up the sustainability statement referred to in the Decree;
- * conformity with the disclosure requirements of Article 8 of Regulation (EU) 2020/852.

It is specified that the conclusions contained in the report certifying conformity drawn up by the person appointed for this purpose will be based on a limited assurance engagement, until the European Commission issues the delegated acts, pursuant to Article 26-bis(3)(2) of Directive 2006/43/EC (as amended in light of Directive 2022/2464/EU) and no later than 1 October 2028, aimed at establishing the certification principles for a reasonable assurance level.

Article 8 of the Decree provides that the mandate for the issue of the report certifying conformity of the sustainability statement may be undertaken by (i) the same (natural person) auditor who is responsible for auditing the financial statements or a different auditor, and also, for the purposes herein, (ii) 'an auditing company authorised pursuant to Legislative Decree No. 39 of 27 January 2010 (...) provided that the report (...) is signed by an auditor of the sustainability statement. The auditing company may be the same auditing company that is responsible for auditing the financial statements or a different auditing company'.

The Decree contains a number of transitional provisions, including the provision that the mandates for the certification of conformity of the non-financial statement assigned under the previous legislation remain valid until the expiry date agreed for the performance of the activity to certify conformity of the sustainability statement, without prejudice to the possibility of early termination and the assignment of a new engagement. By virtue of these transitional provisions, the activities for issuing the report certifying conformity of the sustainability statement with reference to the financial year ended 31 December 2024 was carried out by KPMG S.p.A. on the basis of the engagement granted in 2018, which has ceased to be effective.

Article 13 of Legislative Decree No. 39/2010, as amended and supplemented by the Decree, stipulates in the new paragraph 2-ter that the shareholders' meeting "*on the reasoned proposal of the control body, shall assign the mandate for the certification of conformity of the sustainability statement and determine the compensation due to the sustainability auditor or the auditing company for the entire duration of the mandate and any criteria for adjusting this compensation during the mandate. The term of office shall be three financial years, expiring on the date of the shareholders' meeting called to approve the financial statements for the third financial year of the mandate. (...)*"

In view of the above, the Board of Directors hereby submits to your attention the attached reasoned proposal of the Board of Statutory Auditors, drawn up pursuant to Article 13(2-ter) of Legislative Decree No. 39/2010, to assign to one of the auditing companies identified by the Board of Statutory Auditors, EY S.p.A. or PWC S.p.A., the mandate for the certification of conformity of the consolidated sustainability statement pursuant to Legislative Decree No. 125/2024 - with justified preference for EY S.p.A. - under the terms stated in the proposal.

PROPOSED RESOLUTIONS

The Board of Directors, agreeing with the reasons underlying the preference expressed by the Board of Statutory Auditors, informs the Shareholders' Meeting that the proposal to assign the mandate for the certification of conformity of the consolidated sustainability statement for the financial years 2026-2028 to the company EY S.p.A. will be put to the vote first, and if this proposal does not reach the votes required for its approval, the proposal to assign the same mandate to the company PWC S.p.A. will be put to the vote.

Now therefore, we propose that you adopt the following resolutions:

PROPOSED RESOLUTION 3.1

"The Ordinary Shareholders' Meeting of CIR S.p.A. – Compagnie Industriali Riunite,

- (i) having examined the Board of Directors' explanatory report;*
- (ii) having examined the reasoned proposal made by the Board of Statutory Auditors pursuant to Article 13 of Legislative Decree No. 39/2010 and Article 16 (2) of EU Regulation 537 of 16 April 2014, EU Regulation 537/2014;*

RESOLVES

- 1. to assign to the company EY S.p.A. the mandate for the certification of conformity of the consolidated sustainability statement for the financial years 2026/2028, under the terms and conditions of the offer put forward by the aforementioned auditing company and set out in the Board of Statutory Auditors'*

reasoned proposal, with permission to renew no more than twice, provided that upon expiry of the first three year period it may be renewed at the same qualitative and quantitative conditions;

2. *in particular to approve, for each of the three financial years covered by the mandate, a compensation for the mandate in question of EUR 27,000, excluding VAT, corresponding to an estimated commitment of 362 hours;*
3. *to vest the Board of Directors and, on its behalf, the Chairman and the Chief Executive Officer, jointly and severally, with all appropriate powers, in compliance with the provisions of law, for the complete execution of the aforesaid resolution, with any and all powers necessary and appropriate for such purpose, without exclusion or exception, including the power to make any non-substantive amendments to the resolutions that may be deemed necessary and/or appropriate for the registration in the Companies' Register and/or in relation to any instructions from the Authority".*

ALTERNATIVELY, IF THE PREVIOUS RESOLUTION IS NOT APPROVED

PROPOSED RESOLUTION 3.2

"The Ordinary Shareholders' Meeting of CIR S.p.A. – Compagnie Industriali Riunite,

- (iii) *having examined the Board of Directors' explanatory report;*
- (iv) *having examined the reasoned proposal made by the Board of Statutory Auditors pursuant to Article 13 of Legislative Decree No. 39/2010 and Article 16 (2) of EU Regulation 537 of 16 April 2014, EU Regulation 537/2014;*

RESOLVES

1. *to assign to the company PricewaterhouseCoopers S.p.A. the mandate for the certification of conformity of the consolidated sustainability statement for the financial years 2026-2028, under the terms and conditions of the offer put forward by the aforementioned auditing company and set out in the Board of Statutory Auditors' reasoned proposal, with permission to renew no more than twice, provided that upon expiry of the first three year period it may be renewed at the same qualitative and quantitative conditions*
2. *in particular to approve, for each of the three financial years covered by the mandate, a compensation for the mandate in question of EUR 36,000, excluding VAT, corresponding to an estimated commitment of 398 hours;*
3. *to vest the Board of Directors and, on its behalf, the Chairman and the Chief Executive Officer, jointly and severally, with all appropriate powers, in compliance with the provisions of law, for the complete execution of the aforesaid resolution, with any and all powers necessary and appropriate for such purpose, without exclusion or exception, including the power to make any non-substantive amendments to the resolutions that may be deemed necessary and/or appropriate for the registration in the Companies' Register and/or in relation to any instructions from the Authority".*

Attached to this Report: Reasoned proposal containing the Board of Statutory Auditors' recommendation for assigning the mandate for the statutory audit of the accounts for the financial years 2026-2034 and the mandate

for the certification of conformity of the consolidated sustainability statement for the financial years 2026-2028.