

REPORT OF  
BOARD OF DIRECTORS OF  
Palingeo S.p.A.



SHAREHOLDERS' MEETING OF 4 SEPTEMBER 2025  
IN ORDINARY SESSION, ON FIRST CALL AND POSSIBLY ON SECOND CALL FOR 10 SEPTEMBER 2025

SHAREHOLDER REPORT

Dear Shareholders,

following the resolution adopted on 5 August 2025 by the Board of Directors of Palingeo S.p.A. (***Palingeo*** or ***Issuer***), with a notice published on 8 August 2025 on "ItaliaOggi" and on the Issuer's website, the Issuer's Shareholders' Meeting (the ***Shareholders' Meeting***) was convened, in ordinary session, to on 4 September 2025, in first call, and possibly in second call on 10 September 2025, at the same time, to discuss and resolve on the following

**AGENDA:**

1. Appointment of the Board of Directors:
  - i. Determination of the number of members of the Board of Directors;
  - ii. Determination of the term of office of the Board of Directors;
  - iii. Appointment of the members of the Board of Directors;
  - iv. Appointment of the Chairman of the Board of Directors;
  - v. Determination of the total remuneration for each year of mandate of the members of the Board of Directors.

The purpose of this Report is to illustrate the reasons underlying the proposal of the Board of Directors, as well as the terms and methods of execution of any Shareholders' Meeting resolutions.

**1. Item 1 on the agenda – Appointment of the Board of Directors:**

- i. **Determination of the number of members of the Board of Directors;**
- ii. **Determination of the term of office of the Board of Directors;**
- iii. **Appointment of the members of the Board of Directors;**
- iv. **Appointment of the Chairman of the Board of Directors;**
- v. **Determination of the total remuneration for each year of mandate of the members of the Board of Directors.**

Dear Shareholders,

We remind you that, in accordance with the provisions of the binding contractual agreements signed on 16 June 2025 between F.L.S. Holding S.r.l. (***FLS***), as the current majority shareholder of the Company and I.CO. P S.p.A. Società Benefit, as potential purchaser, having as their object, *inter alia*, the sale to I.CO.P. S.p.A. Società Benefit of the entire shareholding held by FLS in the share capital of Palingeo, the Chairman of the Board of Directors and the members of the Board of Directors of the Company Leonardo Spada, Paolo Franzoni, Alessio Minelli, Sergio Lippi and Gianbattista Lippi resigned on 4 August 2025 his irrevocable resignation from their respective offices, with effect from the date of appointment of the new board of directors by the Company's shareholders' meeting, also declaring that he has no claim against the Company (or, if any, expressly waiving it), without prejudice to the remuneration accrued and not yet paid on the effective date of the aforementioned resignation.

In this regard, pursuant to Article 22.16 of the Articles of Association, if the majority of the directors appointed by the Shareholders' Meeting are absent due to resignation or for any other reason, the entire Board of Directors shall be deemed to have ceased to exist and the directors remaining in office shall urgently convene the Shareholders' Meeting for the appointment of the new administrative body.

In relation to the first and only item on the agenda, you are therefore called to resolve on the appointment of the Board of Directors. In particular, for the purposes of the renewal of the administrative body, the shareholders' meeting is called:

- to determine the number of members of the Board, within the limits established by the Statute (from a minimum of 3 to a maximum of 9 members);
- to establish the duration of the organ;
- to appoint them, in accordance with the slate voting procedure provided for in the Articles of Association;
- to appoint the Chairman of the Board of Directors;
- to determine the amount of the remuneration.

#### **i. Determination of the number of members of the Board of Directors**

Pursuant to art. 21 of the Articles of Association, the administration of the Company is entrusted to a Board of Directors composed of a minimum of 3 and a maximum of 9 members appointed by the Shareholders' Meeting. The Shareholders' Meeting, before proceeding with the appointment, determines the number of members of the Board of Directors within the aforementioned limits.

#### **ii. Determination of the term of office of the Board of Directors**

In accordance with art. 21.2 of the Articles of Association, the members of the Board of Directors remain in office for three financial years or for the shortest period established by the Shareholders' Meeting and may be re-elected.

#### **iii. Appointment of the members of the Board of Directors**

The appointment of the Company's Board of Directors is carried out in compliance with the provisions of the TUF and its implementing regulations, as well as the Company's Articles of Association, to which reference is made for anything not expressly indicated below.

The Board of Directors is elected by the ordinary shareholders' meeting on the basis of lists of candidates presented by the shareholders. Candidates must be listed on the lists using progressive numbering. The slates presented by the shareholders, signed by the shareholder or shareholders who submit them (also by proxy to one of them), must contain a number of candidates not exceeding 9 (nine). The directors must meet the requirements provided for by the applicable regulations in force at the time and by the Articles of Association. Pursuant to Article 147-quinquies, paragraph 1, of the TUF, all candidates must meet the integrity requirements provided for in Article 148, paragraph 4, of the TUF for statutory auditors of listed companies.

Shareholders who, alone or together with other shareholders, hold a total shareholding equal to at least 10% of the share capital at the time of submission of the list, are entitled to submit a list. Each shareholder, as well as the shareholders belonging to the same group, the shareholders adhering to the same shareholders' agreement pursuant to art. 122 of the TUF, the parent company, the subsidiaries and those subject to common control pursuant to Article 93 of the TUF, may not present or participate in the presentation, not even through an intermediary or trust company, of more than one list nor may they vote for different lists, and each candidate may present himself on only one list under penalty of ineligibility.

The adhesions given, and the votes cast, in violation of this prohibition will not be attributed to any list.

The lists indicate which directors meet the independence requirements established by law and by the Articles of Association. In this regard, it should be noted that pursuant to Article 147-ter, paragraph 4 of the TUF, at

least one of the members of the Board of Directors, or two if the Board of Directors is composed of more than seven members, must meet the aforementioned independence requirements.

For the purposes of declarations of independence, if submitted, it should be noted that the Council has determined the following quantitative and qualitative parameters:

- commercial or financial relationships: (i) 5% of the annual turnover of the company or entity over which the director has control or of which he or she is an executive director; and/or (ii) 5% of the annual costs incurred by the Group that are attributable to the same type of contractual relationship;
- professional services: (i) 10% of the annual income of the director as a natural person or (ii) 10% of the annual turnover of the company or entity of which the director or of which he is an executive director or of the professional firm or consulting firm of which he is a partner; and/or (ii) 5% of the annual costs incurred by the Group that are attributable to assignments of a similar nature;
- Regardless of whether the above-mentioned thresholds are exceeded, commercial or financial relationships or professional services that are, individually or cumulatively, of a value equal to or greater than the amounts indicated below, are also qualified as significant:
  - €50,000 if the payment is made to the director who is a natural person or to a professional firm/consulting firm whose annual revenues are less than €10 million;
  - €100,000 if the payment is to professional firms or consulting firms of which the director is a partner, whose annual revenues are equal to or greater than €10 million;
- The additional remuneration is normally to be considered significant - and therefore capable of compromising the independence of the director concerned - if the total annual consideration for such relationships is greater than 50% of the total amount of the fixed annual remuneration received by the director for the office or for participation in committees.

The slates are filed at least 7 (seven) days before the date set for the Shareholders' Meeting called to resolve on the appointment of the administrative body on first call (i.e. 28 August 2025) by sending them by e-mail to the certified e-mail address [borsa.palingeo@pec.it](mailto:borsa.palingeo@pec.it) together with the information that allows the identification of the person filing the slates, also indicating a telephone number. Together with and at the same time as each list, the curriculum vitae containing the personal and professional characteristics of the individual candidates shall be filed with any indication of their suitability to qualify as independent, together with the declarations with which the individual candidates accept their candidacy and certify, under their own responsibility, the non-existence of causes of incompatibility or ineligibility, and the existence of the requirements prescribed by this Statute and by the applicable laws and regulations. Each slate must also contain, as an attachment, an indication of the identity of the shareholders who submitted the slates and the total percentage of the shareholding held, as well as any other or different declarations, information and/or documents required by law and applicable regulations. The relative certification(s) or communication(s) attesting to the aforementioned participation is issued by an authorized intermediary pursuant to the applicable legal or regulatory provisions.

The slates will be made available to the public at the Company's registered office, on the website and in the other ways provided for by the applicable laws and regulations at least 6 (six) days before the date of the Shareholders' Meeting (i.e. by 29 August 2025).

With reference to the appointment of directors, in light of the above, the Board of Directors invites the Shareholders to appoint the Company's Board of Directors for the financial years 2025-2027, voting in favour of one of the slates of candidates for the office of members of the Board of Directors of Palingeo S.p.A. that will be presented and published in compliance with the provisions mentioned above.

#### **iv. Appointment of the Chairman of the Board of Directors**

Pursuant to art. 22.13 of the Articles of Association, the Chairman of the Board of Directors of Palingeo is elected any candidate indicated as such on the list that has obtained the highest number of votes or on the only list presented. Failing this, the Chairman is appointed by the Shareholders' Meeting with the ordinary majorities required by law.

Without prejudice to the above, art. Article 23.1 of the Articles of Association provides that the Board of Directors of the Company may elect a Chairman from among its members only if the Shareholders' Meeting has not done so.

#### **v. Determination of the total remuneration for each year of mandate of the members of the Board of Directors**

Pursuant to art. 21.3 of the Articles of Association, the members of the Board of Directors are entitled to an annual remuneration that will be determined by the Ordinary Shareholders' Meeting at the time of their appointment, as well as the reimbursement of expenses incurred for the year and due to their functions. The Shareholders' Meeting may grant the directors the right to receive an end-of-term indemnity, to be constituted through annual provisions and also, if necessary, through insurance policies or other similar instruments.

The remuneration of directors vested with special offices is established by the Board of Directors, subject to the opinion of the Board of Statutory Auditors. The Shareholders' Meeting may determine a total amount for the remuneration of all directors, including those vested with special offices.

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Dear Shareholders,

in light of the above, we therefore invite you to resolve, within the terms and in the manner set out above, on:

- (i) determining the number of members of the Board of Directors;
- (ii) the determination of the duration of the appointment;
- (iii) the appointment of the Councillors;
- (iv) the appointment of the Chairman of the Board of Directors;
- (v) the determination of the total remuneration for each year of mandate of the members of the Board of Directors.

Carpenedolo (BS), 8 August 2025

The Chairman of the Board of Directors  
Leonardo Spada