

ILLUSTRATIVE REPORT OF THE BOARD OF DIRECTORS

ON THE FIRST AND ONLY ITEM ON THE AGENDA OF THE ORDINARY SHAREHOLDERS'S MEETING
OF DEXELANCE S.P.A. CONVENED FOR 21 JANUARY 2025 IN A SINGLE CALL1. ENTRUSTMENT FOR THE AUDIT ENGAGEMENT OF SUSTAINABILITY REPORTING FOR
FINANCIAL YEARS 2024-2026. DETERMINATION OF THE FEE AND POSSIBLE ADJUSTMENT
CRITERIA. RELATED AND CONSEQUENT RESOLUTIONS.

Dear Shareholders,

you have been convened in ordinary session to discuss and deliberate on the following proposal of the Board of Directors of Dexelance S.p.A. ("**Dexelance**" or the "**Company**"): *"Entrustment for the audit engagement of sustainability reporting for financial years 2024-2026. Determination of the fee and possible adjustment criteria. Related and consequent resolutions."*

With this report (the "**Report**"), prepared pursuant to Article 125-ter of Legislative Decree No. 58 of 24 February 1998 ("**TUF**"), the Board of Directors of Dexelance intends to explain the reasons behind the proposal submitted for your approval.

On 25 September 2024, Legislative Decree No. 125 of 6 September 2024 (the "**Decree**") came into force, by which the Italian legal system implemented Directive (EU) 2022/2464, so-called *Corporate Sustainability Reporting Directive* (CSRD) (the "**Directive**"), which innovated the regulatory framework for corporate sustainability reporting.

As a general rule, companies covered by the Decree are required to *"include in a separate section of the management report the information necessary for understanding the impact of the company on sustainability issues, as well as the information necessary for understanding how sustainability issues affect the company's performance, results and situation."*

Among the goals of the Directive and the Decree is the aim to broaden, compared to the past, the number of companies required to publish a sustainability disclosure. This expansion also has direct effects in terms of the temporal application of the new legislation. In fact, both national and EU legislators have provided for a gradual application of the regulations. Specifically, Article 17 of the Decree stipulates that, with the exception of what is stipulated in paragraphs 2 and 3 of the same Article 17, the other provisions apply in three different stages depending on the size of the company required to comply with the reporting obligations: for large companies, the obligations under the Decree apply from the fiscal year beginning 1 January 2024, while for other companies, the provisions of the Decree apply from the fiscal year beginning 1 January 2025 or from the fiscal year beginning 1 January 2026, depending on the size of the company.

Furthermore, in order to make the application of the new sustainability requirements effective, the Decree made some amendments to Legislative Decree No. 39 of 27 January 2010 and introduced the figure of the auditor of sustainability reporting. Specifically, pursuant to Article 8, co.1, of the Decree, the auditor of sustainability reporting is required to express *"his or her conclusions about the compliance of the aforementioned reporting with the rules of this decree that govern its drafting criteria, compliance with the sustainability reporting marking obligation [...] as well as about compliance with the disclosure requirements of Article 8 of Regulation (EU) 2020/852 of the European Parliament and of the Council of June 18, 2020."*

As a result of the amendments made by the Decree, the new paragraph 2-ter of Article 13 of Legislative Decree No. 39 of 27 January 2010 now stipulates that *"the shareholders' meeting of the companies referred to in*

Articles 3 and 4 of the legislative decree adopted in implementation of Article 13 of Law No. 2024 of 21 February 2024, number 15, upon the reasoned proposal of the supervisory body, entrusts the appointment of attestation of compliance of the sustainability reporting and determines the fee payable to the sustainability auditor or the statutory auditing firm for the entire duration of the appointment, and any criteria for adjusting this fee during the appointment. The term of the engagement is three financial years, expiring on the date of the shareholders' meeting called to approve the financial statements for the third financial year of the engagement. For the companies referred to in Articles 3 and 4 of the legislative decree adopted in implementation of Article 13 of Law No. 15 of 21 February 2024 that are public interest entities or entities subject to an intermediate regime, the appointment may be renewed for no more than two times and may be re-appointed to the same person only after the lapse of four fiscal years. [...]".

Therefore, considering that (i) on 17 March 2023, the Company appointed EY S.p.A. as its nine-year statutory auditor, without stipulating anything about the sustainability reporting audit engagement, (ii) the Company is among the companies to which the obligation to appoint a sustainability reporting auditor applies starting from the fiscal year beginning 1 January 2024, and (iii) the law stipulates that the engagement lasts for three fiscal years, it is necessary to appoint a sustainability reporting auditor for the fiscal years 2024-2026 .

As a result, the Company requested a few auditing firms, namely EY S.p.A., Deloitte & Touche S.p.A. and PWC S.p.A., to make their own proposals regarding the aforementioned assignment.

The Board of Statutory Auditors, after evaluating the proposals received, issued a reasoned opinion, which is attached to this report and whose conclusions are given below:

"the Board of Statutory Auditors of the Company with reference to the assignment of the audit of the sustainability reporting of Dexelance S.p.A. for the years 2024-2026

CONSIDERING

- *that Article 16(2) of Regulation (EU) 2014/537 requires that the reasoned proposal of the Board of Statutory Auditors to the Shareholders' Meeting contain at least two possible proposals, among them alternatives, for the entrustment;*
- *that the same Article 16(2) of Regulation (EU) 2014/537 stipulates that the Board of Statutory Auditors must express a duly justified preference for one of the proposals;*
- *The outcome of the evaluation procedure carried out*

VERIFIED THAT

- *declarations of availability also contain specific statement concerning the possession of the independence requirements of the law;*
- *based on what can be inferred from the proposals, the statutory auditing firms that have declared their willingness to take on the assignment appear to meet the statutory independence requirements;*
- *the statutory auditing firms appear to have the organization and technical and professional skills appropriate to the scope and complexity of the engagement*

SUBMITS

to the Shareholders' Meeting of Dexelance S.p.A., pursuant to Article 16, paragraph 5, of Regulation (EU) 2014/537, as well as pursuant to Articles 13, paragraph 2-ter, and 14 of Legislative Decree No. 39 of 27 January 2010, the alternative proposals made by EY S.p.A, Deloitte & Touche S.p.A. and PWC S.p.A. in



relation to the audit engagement of the sustainability reporting of Dexelance S.p.A. for the financial years 2024-2026

EXPRESSES

unanimously its preference in favor of EY S.p.A. since, as a result of the analysis conducted, has resulted to be most suitable company to carry out the assignment, as it not only presented the most advantageous economic offer, but also because the same company already performs the function of statutory auditor for Dexelance S.p.A.

DECLARES

pursuant to Article 16(2) of Regulation (EU) 2014/537 that the above proposal has not been influenced by third parties and that some of the clauses of the type indicated in Article 16(6) of Regulation (EU) 2014/537 have not been applied."

In view of the above, the Board of Directors submits the following proposed resolution for your approval.

1. ENTRUSTMENT FOR THE AUDIT ENGAGEMENT OF SUSTAINABILITY REPORTING FOR FINANCIAL YEARS 2024-2026. DETERMINATION OF THE FEE AND POSSIBLE ADJUSTMENT CRITERIA. RELATED AND CONSEQUENT RESOLUTIONS.

"The Ordinary Shareholders' Meeting of Dexelance S.p.A,

- Examined the illustrative report of the Board of Directors;
- Considered the reasoned opinion of the Board of Statutory Auditors on the appointment of Dexelance S.p.A. to audit the sustainability reporting of Dexelance S.p.A. for the years 2024-2026;

resolves

1. to entrust the audit of the sustainability reporting of Dexelance S.p.A. for the fiscal years 2024-2026, pursuant to Articles 13, paragraph 2-ter, and 14 of Legislative Decree No. 39 of 27 January 2010, to the auditing firm EY S.p.A. for a fee of 59,500 euros for each fiscal year;
2. to confer to the Chairman of the Board of Directors, Andrea Sasso, and to Director Giorgio Gobbi, severally and with the power to sub-delegate, all broader powers to implement the resolution referred to in the preceding point, therein expressly including, by way of example only, the power to sign any agreement commitment, contract or covenant relating to the entrustment of the assignment, as well as any power relating to the fulfillment of all formalities necessary for the entrustment of the assignment at the competent bodies and/or offices, with the power to introduce any non-substantial amendments that may be required."

This report is made available to the public, both at the Company's registered office and through publication on the Company's website (<https://dexelance.com/en/>) under the Investors/Governance/Shareholders' Meetings section as well as at the 1Info Storage system (www.1info.it).

Milan, 19 December, 2024

**For the Board of Directors of Dexelance S.p.A.
The Chairman - Andrea Sasso**

