

REASONED OPINION OF THE BOARD OF STATUTORY AUDITORS OF DEXELANCE S.P.A. ON THE PROPOSED ENTRUSTMENT OF THE AUDIT OF SUSTAINABILITY REPORTING FOR THE FINANCIAL YEARS 2024-2026**1. Introduction**

Dear Shareholders,

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* (the "**Directive**"), which innovated the regulatory framework for corporate sustainability reporting.

The Directive and the Decree aim to promote and expand transparency and disclosure by companies subject to their application about the environmental and social impacts related to the company's management.

In order to make the application of the new regulations effective, the Decree, among other things, introduced the figure of the auditor of sustainability reporting, amending Legislative Decree No. 39 of 27 January 2010.

Specifically, pursuant to Article 8(1) of the Decree, the auditor of sustainability reporting "*specially entrusted*" must express "*his or her conclusions about the compliance of the aforementioned reporting with the rules of this decree governing 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 18 June 2020.*"

Pursuant to the new paragraph 2-ter of Article 13 of Legislative Decree No. 39 of 27 January 2010, as amended by the Decree, the entrustment of the auditor of sustainability reporting is made by the shareholders' meeting "*upon the reasoned proposal of the supervisory body*". The same article dictates certain conditions relating to the performance and, in particular, provides that "*the entrustment has a term of three fiscal years, expiring on the date of the shareholders' meeting called to approve the financial statements for the third fiscal year of the appointment*" and that "*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 reappointed to the same person only after the lapse of four fiscal years.*"

In view of the fact that Dexelance S.p.A. ("**Dexelance**" or the "**Company**") (i) is among the companies to which the Decree applies as of the fiscal year beginning 1 January 2024; and (ii) on 17 March 2023, it entrusted the nine-year statutory audit engagement to EY S.p.A. without making any provisions regarding the entrustment of an auditor of sustainability reporting, it is necessary to proceed with the entrustment of an auditor of sustainability reporting for the fiscal years 2024-2026 and, to this end, the Board of Statutory Auditors hereby intends to make its proposal to the Board of Directors of the Company.

2. Analysis of bids received

In light of the above, the Company has taken steps to obtain a number of declarations of availability to accept the audit of sustainability reporting from leading auditing firms.

Specifically, declarations of availability were received from:

- (i) EY S.p.A.;

- (ii) Deloitte & Touche S.p.A.;
- (iii) PWC S.p.A.

With reference to proposal (i), the Board of Statutory Auditors notes that the subject of the services concerns the examination of the consolidated Sustainability Reporting of the Dexelance Group for the fiscal years ending 31 December 2024 to 31 December 2025, which will be prepared in accordance with the provisions of the *European Sustainability Reporting Standards* and Article 8 of Regulation 2020/852. The verification procedures for the limited review of Sustainability Reporting will be carried out with reference to fully consolidated companies. In addition, the tool used to track the audit process of the Sustainability Report, EY Canvas, is the same as that used for statutory audit activities, which is a guarantee in terms of effectiveness, traceability, and coordination between different audit activities. The audit approach involves conducting three distinct phases: (i) planning and analysis; (ii) audit procedures, possible site visits and data *testing*; and (iii) issuance of the limited audit report. The execution of the assignment will be entrusted to a team of auditors at various professional levels and also includes the involvement of specialists in relevant subjects (sustainability reporting, IT, etc.). The estimated fees are in line with market practice and have been competitively priced.

With reference to proposals sub (ii) and (iii), the Board of Statutory Auditors notes that the companies Deloitte & Touche S.p.A. and PWC S.p.A. are currently limited by the nine-year constraint rule, provided for by Legislative Decree No. 39/2010 and Regulation (EU) No. 537/2014, which restricts their eligibility to provide the requested service. Moreover, the quotes proposed by these companies are significantly higher than the one submitted by EY S.p.A.

3. Conclusions

In view of the above, 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 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, par. 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, it was the most suitable company to carry out the assignment, as it not only presented the most advantageous economic offer but also due to the fact that 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.

Milan, 13 December 2024

For the Board of Statutory Auditors of Dexelance S.p.A.

The President - Filippo Annunziata

