



Explanatory Report of the Board of Directors to the Ordinary Shareholders' Meeting convened for April 28, 2023, on first call, with the following

AGENDA

- 1 Approval of the Financial Statements as at December 31, 2022, Board of Directors' Report on Operations, Board of Statutory Auditors' Report and Report of the Independent Auditor; presentation of the Consolidated Financial Statements as at December 31, 2022; relevant and consequent resolutions.
- 2 Allocation of the Company's 2022 operating result.
- 3 Appointment of members of the Board of Directors for the fiscal year 2023 and determination of the remuneration; relevant and consequent resolutions.
- 4 Appointment of the Board of Statutory Auditors for the three-year period 2023 - 2025 and determination of the remuneration; relevant and consequent resolutions.
- 5 Appointment of statutory auditors for the three year period 2023 – 2025; relevant and consequent resolutions.



1. Approval of the Financial Statements as at December 31, 2022, Board of Directors' Report on Operations, Board of Statutory Auditors' Report and Report of the Independent Auditor; presentation of the Consolidated Financial Statements as at December 31, 2022; relevant and consequent resolutions.

Dear Shareholders,

with reference to the first item on the agenda, the Board of Directors called you to the Shareholders' Meeting to submit for your approval the draft financial statements for the year ended December 31, 2022, together with the Reports of the Directors on Operations, the Independent Auditors, and the Board of Statutory Auditors, and to present to you the consolidated financial statements as of December 31, 2022.

For all detailed information and comments, please refer to the Management Report, which together with the draft financial statements, the consolidated financial statements, and the reports of the Board of Statutory Auditors and the Independent Auditors, is posted on the Company's website at <https://corporate.tatatu.com/en/shareholders-meeting/>.

In light of the above, with reference to the first item on the agenda, the Board of Directors submits the following proposed resolution for your approval:

“The Ordinary Shareholders' Meeting of Tatatu S.p.A.,

- *Examined the draft financial statements for the year ended December 31, 2022, together with the Directors' Report on Operations, showing a profit for the year of Euro 96,858,*
- *Taking into consideration the consolidated financial statements as of the same date,*
- *Acknowledged the reports of the Board of Statutory Auditors and the Independent Auditors as well as the proposal of the Board of Directors,*

RESOLVES

To approve the financial statements for the year ended December 31, 2022, together with the Directors' Report on Operations.”

2. Allocation of the results for the year ending December 31, 2022.

Dear Shareholders,

With reference to the second item on the agenda, the Board of Directors submits the following proposed resolution for your approval:

“The Ordinary Shareholders' Meeting of Tatatu S.p.A,

RESOLVES

to allocate the profit of Euro 96,858 resulting from the financial statements for the year ended December 31, 2022 as follows:

- *As for Euro 4,843, to Legal Reserve;*
- *As for residual, to the reserve named "Extraordinary Reserve.”*



3. Appointment of the Board of Directors. Related and/or consequent resolutions.

- 3.1. Determination of the number of the Board of Directors' members.**
- 3.2. Determination of the term of office of the members of the Board of Directors.**
- 3.3. Appointment of new Board of Directors' members.**
- 3.4. Determination of the remuneration of the members of the Board of Directors.**

Dear Shareholders,

the Company's Board of Directors resolved to convene the Ordinary Shareholders' Meeting to discuss and resolve, *inter alia*, on the appointment of the Board of Directors' members and its Chairman, the determination of the number and term in office of the Board of Directors' members, as well as the remuneration due to them in relation to their office.

In this regard, it should be noted that the mandate given to the current members of the Board of Directors - previously appointed by means of the Shareholders' Meeting resolutions dated 6 September 2022 and 30 September 2022, respectively - will expire with the approval of the financial statements for the year ended 31 December 2022 and, therefore, it is necessary to proceed with the new appointment of the Board of Directors according to the below.

3.1. Determination of the number of members of the Board of Directors.

Pursuant to Article 22 of the by-laws, the Company is managed by a Board of Directors composed of an odd number of members between five and seven. The Ordinary Shareholders' Meeting is responsible to determine the number the Board of Directors' members.

The Board of Directors currently in office consists of five members.

Without prejudice to the foregoing, in relation to the number of directors to be elected, in order to provide the Company with a governance in line with the market best practices, the Board of Directors proposes to the Shareholders to set the number of directors to be elected at 5.

Dear Shareholders, in connection with the foregoing, if you agree, we invite you to approve the following proposed resolution:

“The Ordinary Shareholders' Meeting of Tatatu S.p.A., having examined the report of the Board of Directors and taking into account the provisions of the law and the by-laws,

RESOLVES

- 1. to set the number of the Board of Directors' member at 5 (five);*
- 2. to grant the to be appointed Chairman and any directors delegated for this purpose, severally among themselves and with the right to sub-delegate, all the widest powers to implement the resolution adopted, taking care of all the formalities and fulfilments of communication, filing and publication in relation thereto, pursuant to the applicable regulations, making any formal amendments, additions or deletions as may be deemed necessary.*

3.2. Determination of the term of office of the members of the Board of Directors.

Pursuant to the provisions of Article 23 of the by-laws, the Directors are appointed for the term set forth at the time of their appointment and in any case not more than three financial years, and their term of office expires on the date of the shareholders' meeting called to approve the financial statements for the last fiscal year of their office, except for the reasons for cessation of office and forfeiture provided for by law.



Dear Shareholders, in connection with the foregoing, if you agree, we invite you to approve the following: proposed resolution:

“The Ordinary Shareholders’ Meeting of Tatatu S.p.A., having examined the report of the Board of Directors and taking into account the provisions of the law and the by-laws,

RESOLVES

- 1. to set the directors’ term office at one financial year, i.e. until the date of the Ordinary Shareholders’ Meeting to be called to approve the financial statements as at 31 December 2023;*
- 2. to grant the to be appointed Chairman and any directors delegated for this purpose, severally between them and with the right to sub-delegate, all the widest powers to implement the resolution adopted, carrying out all the formalities and fulfilments of communication, filing and publication relating to the above resolution, in accordance with the applicable regulations, making any formal amendments, additions or deletions that may be necessary.”*

3.3. Appointment of the new members of the Board of Directors.

With reference to the appointment of the new members of the Board of Directors, the Shareholders shall be informed that, pursuant to Article 2383 of the Italian Civil Code, the appointment shall in any case be preceded by the submission, by the interested party, of a declaration of the non-existence, against him/her, of the causes of ineligibility envisaged by Article 2382 of the Italian Civil Code and of disqualifications from the office of director adopted against him/her in a European Union member State.

Pursuant to Article 22 of the by-laws, at least 2 (two) of the members of the Board of Directors must meet the independence requirements set forth under Article 148, Section 3, of Legislative Decree No. 58 of 24 February 1998 (the “**Italian Consolidated Financial Act**”), the Italian Civil Code, and the Corporate Governance Code for Listed Companies.

The proposals regarding the members of the Board of Directors, together with the relevant documents as provided for in the by-laws, shall be delivered in advance to the meeting no later than 6:00 p.m. on the seventh day prior to the date of the meeting, with the documents proving the status of shareholders by those who submitted them.

In addition, all directors shall meet the requirements of integrity set forth in Article 147-*quinquies* of the Italian Consolidated Financial Act.

For further information on the procedures for appointing the Board of Directors, please refer to the Company’s by-laws and the Notice of Shareholders’ Meeting made available to the public on the website <https://corporate.tatatu.com/en/shareholders-meeting/>.

Dear Shareholders, in connection with the foregoing, if you agree, we invite you to approve the following proposed resolution:

“In light of the above, the Ordinary Shareholders’ Meeting of Tatatu S.p.A. is called to provide for the appointment of the Board of Directors for one financial year expiring on the date of the Shareholders’ Meeting called to approve the financial statements for the financial year ending 31 December 2023, on the basis of the proposals submitted by the Shareholders in accordance with the applicable laws, regulations and by-laws.”

3.4. Determination of the remuneration due to the members of the Board of Directors.



We would like to remind you that, pursuant to Article 29 of the by-laws, the Directors, in addition to the reimbursement of costs and expenses incurred in the performance of their duties, are entitled to receive a remuneration, which is determined by the Shareholders' Meeting at the time of their appointment.

The remuneration of directors holding the office of chairman, director or managing director is determined by the Board of Directors, after hearing the opinion of the Board of Statutory Auditors, within the maximum limits set by the Shareholders' Meeting.

Finally, it is reminded that the Shareholders' Meeting may determine a total amount for the remuneration of all directors, including those holding special offices.

In addition, the shareholders' meeting may also grant executive directors (i.e., with proxies), eventual and variable remuneration to be determined according to the achievement of the Company's performance objectives, also taking into account the forecasts of the Company's business plan.

The proposals regarding the remuneration of the members of the Board of Directors, together with the relevant documents as provided for in the by-laws, must be delivered in advance to the meeting no later than 6:00 p.m. on the seventh day prior to the date of the meeting, with the documents proving the status of shareholders by those who submitted them.

Dear Shareholders, in connection with the foregoing, if you agree, we invite you to approve the following proposed resolution:

“The Ordinary Shareholders' Meeting of Tatatu S.p.A., having examined the report of the Board of Directors and taking into account the provisions of the law and the by-laws,

RESOLVES

1. *to grant those who will be identified as directors of the Company, for the financial year 2023, with a fixed remuneration to be attributed to each director, taking into account the office held and the duties performed and subject to any waiver by the same, and to the executive directors also a variable remuneration to be conferred upon the achievement of specific objectives of the Company, as better defined by the Board of Directors to be appointed on the basis of the agenda item above, also taking into account the Company's updated business plan;*
2. *to grant the newly appointed Board of Directors with all powers to perform all acts and transactions that may be necessary and/or appropriate to determine the fixed remuneration due to each director and the eventual variable remuneration due to executive directors, as well as the value thresholds and benchmarks on the basis of which such remuneration will be calculated, in addition to any further powers to implement the above resolution, including, but not limited to, the decision as to the methods and terms of payment of the said variable remuneration (based on the assessments that the Board of Directors, from time to time, will be required to carry out), taking into account, inter alia, the Company's available cash and financial commitments”.*

4. Appointment of the Board of Auditors. Related and/or consequent resolutions.

4.1. Appointment of the members of the Board of Auditors.

4.2. Determination of the remuneration of the members of the Board of Auditors.

Dear Shareholders,

The Board of Directors of the Company resolved to convene the Ordinary Shareholders' Meeting to discuss and resolve, *inter alia*, on the appointment of the Board of Statutory Auditors and its



Chairman, as well as on the determination of the remuneration of the Statutory Auditors in relation to the exercise of the office.

In this regard, it should be noted that the mandate given to the current members of the Board of Statutory Auditors - previously appointed by the Shareholders' Meeting resolution of 6 September 2022 - will expire with the approval of the financial statements for the year ended 31 December 2022 and that, therefore, it is necessary to proceed with the new appointment of the Board of Statutory Auditors on the basis of what is set forth below.

4.1. Appointment of the members of the Board of Auditors.

It should be noted that Article 30 of the by-laws provides that the Shareholders' Meeting appoints the Board of Statutory Auditors, consisting of three standing auditors and two alternate auditors, and appoints its Chairman.

The Statutory Auditors remain in office for three financial years and their term of office expires on the date of the shareholders' meeting called to approve the financial statements for the third financial year of their office. The termination of the auditors' term of office is effective when the Board of Statutory Auditors is reconstituted.

Finally, we remind you that for the entire duration of their office, the auditors must meet the requirements set forth under Article 2397, paragraph 2, of the Italian Civil Code and in Article 2399 of the Italian Civil Code, and the loss of these requirements determines the immediate forfeiture of the auditor's office and his replacement with the most senior alternate auditor.

For further information on the Company's Board of Statutory Auditors, please refer to the Company's By-laws and the notice of Shareholders' Meeting made available to the public on the website <https://corporate.tatatu.com/en/shareholders-meeting/>.

On the basis of the foregoing, the Board of Directors has identified as possible members of the Board of Statutory Auditors the resigning auditors Mr. Fabio Tinari, who is proposed as Chairman of the Board of Statutory Auditors, as well as Mr. Marco Pianigiani and Mr. Pacifico Ribechi, who are proposed as standing auditors. Finally, Mr. Matteo Colafigli and Mr. Marco Coletta are proposed as alternate auditors.

Since shareholders' participation in the Shareholders' Meeting may only take place by proxy to the Designated Representative pursuant to Articles 135-*undecies* and 135-*novies* of the Italian Consolidated Financial Act, in order to allow for the collection of proxies for voting on the item on the agenda, shareholders' attention is drawn to the need to submit their proposals well in advance of the date of the Shareholders' Meeting, without prejudice to the statutory terms.

Dear Shareholders, in connection with the foregoing, if you agree, we invite you to approve the following proposed resolution:

“ The Ordinary Shareholders' Meeting of Tatatu S.p.A., having examined the report of the Board of Directors and taking into account the provisions of the law and the by-laws,

RESOLVES



1. *to appoint as statutory auditors as of the end of this meeting and for three financial years (and, therefore, until the date of the meeting called to approve the financial statements for the year 2025):*
 - *Fabio Tinari, born in Rome (RM), on January 16, 1967, domiciled for the office at Via Monte Senario 103, 00141 (RM), tax code: TNRFBA67A16H501V, enrolled in the Register of Auditors with Min. Decr. of May 21, 1995, published in the Official Gazette No. 57595, as Statutory Auditor;*
 - *Marco Pianigiani, born in Rome (RM), on April 6, 1982, domiciled for the office at Via della Mendola 73, 00135 (RM), tax code: PNGMRC82D06H501M, enrolled in the Register of Auditors with Min. Decr. of June 12, 2015, published in the Official Gazette No. 175013, as Statutory Auditor;*
 - *Pacifico Ribechi, born in Rome (RM), on January 15, 1966, domiciled for the office at Via Ennio Quirino Visconti 85, 00193 (RM), tax code: RBCPFC66A15H501W, enrolled in the Register of Auditors with Min. Decr. of the day February 28, 2012, published in the Official Gazette No. 165306, as Statutory Auditor;*
 - *Matteo Colafigli, born in Rome on September 2, 1969, domiciled for the office at Via Pescara 10 Monterotondo (RM), tax code: CLFMTT69P02H501W, registered with the Order of Accountants and Accounting Experts of Tivoli no. AA 0549 and with the Register of Auditors under no. 80879 of July 2, 1999, as Alternate Auditor;*
 - *Marco Coletta, born in Rome on January 21, 1983, domiciled for the office at Via Birmania 83, 00144 (RM), tax code: CLTMRC83A21H501T, registered with the Order of Accountants and Accounting Experts under no. 12098 of June 27, 2016, as Alternate Auditor;*
2. *to appoint Mr. Fabio Tinari as Chairman of the Board of Statutory Auditors.”*

4.2. Determination of the remuneration of the members of the Board of Auditors.

We would like to remind you that the Ordinary Shareholders' Meeting is called upon, at the time of appointment, to determine the remuneration of the statutory auditors.

In this regard, the Board of Directors has noted the opportunity to submitting to you, the shareholders, the proposal to provide for a fixed gross remuneration of the auditors and, specifically, to recognize Euro 10,000 per year and Euro 15,000 per year, respectively, to the standing auditors and the Chairman of the Board of Auditors.

Shareholders who would like to make any alternative proposals on the determination of the remuneration of the Board of Statutory Auditors and its Chairman are also recommended to submit them in due time together.

In light of the above, the Board of Directors invites you to adopt the following proposed resolution pursuant to Article 2402 of the Italian Civil Code.

“ The Ordinary Shareholders' Meeting of Tatatu S.p.A., having examined the report of the Board of Directors and taking into account the provisions of the law and the by-laws,



RESOLVES

- 1. to set the gross amount of remuneration due to the Chairman of the Board of Statutory Auditors at Euro 15,000 per year and the gross amount of remuneration due to each standing auditor at Euro 10,000 per year, in addition to the reimbursement of expenses incurred, in accordance with company policies.”*

5. Appointment of the independent auditors for the three year period 2023-2025 and determination of the remuneration pursuant to Legislative Decree 39/2010. Related and/or consequent resolutions.

Dear Shareholders,

With the approval of the financial statements for the year ended 31 December 2022, the appointment of Ernst & Young S.p.A. as statutory auditor by the Ordinary Shareholders' Meeting of the Company held on 22 December 2020 expires.

We therefore submit for your examination the proposal for the appointment of the independent auditors for the period 2023-2025 and for the determination of the relative remuneration, pursuant to Legislative Decree No. 39/2010, as amended and supplemented.

Pursuant to Article 13 of Legislative Decree No. 39/2010, the Ordinary Shareholders' Meeting, upon the reasoned proposal of the Board of Statutory Auditors, appoints the auditing firm and determines the remuneration for the entire duration of the appointment, as well as any criteria for adjusting this remuneration during the term of the appointment.

In light of the foregoing, the Board of Directors submits for examination and approval of the Shareholders' Meeting the reasoned proposal of the Board of Statutory Auditors concerning the appointment of the statutory audit for the financial years 2023-2025, attached to this report. Specifically, the Board of Statutory Auditors has formulated the reasoned proposal for the appointment of the statutory audit to Ernst & Young S.p.A. based on the following assessment of EY's ability to follow global clients, EY's knowledge of the industry as well as EY's technical ability in carrying out the statutory audit mandate.

In view of the above, we submit the following proposed resolution for your approval:

“The Ordinary Shareholders' Meeting of Tatatu S.p.A.:

- taking into consideration the proposal for the appointment of the statutory audit for the three-year period 2023-2025 sent by Ernst & Young S.p.A. to the Company on 31 March 2023;*
- having acknowledged the report of the Board of Directors;*
- examined the reasoned proposal of the Board of Statutory Auditors regarding the renewal of the appointment of Ernst & Young S.p.A. for the financial years 2023-2025 for the statutory audit;*

RESOLVES

- 1. to appoint Ernst & Young S.p.A. as statutory audit of the Company for the three-year period 2023-2025 pursuant to Legislative Decree No. 39/2010, as subsequently amended and supplemented;*



2. *to set at Euro 95,000 (ninety-five thousand/00) per year, in addition to the expenses, the total gross remuneration due to Ernst & Young S.p.A. for the performance of the mandate thus conferred;*
3. *to grant the Chairman of the Board of Directors and the Chief Executive Officer, individually and severally, with all the broadest powers necessary to implement the foregoing”.*

Rome, 13 April 2023

For the Board of Directors.

The Chairman

Andrea Iervolino