

**THE ITALIAN SEA GROUP S.P.A**

**registered office in Marina di Carrara, Carrara (MS), Viale C. Colombo, 4bis**

**Share capital EUR 26,500,000.00 fully subscribed and paid up**

**Registered in the Companies Register of North-West Tuscany, registration number and Tax  
Code 00096320452**

**Explanatory Report of the Board of Directors**

**on the fourth item on the Agenda**

**of the Ordinary Shareholders' Meeting convened for 1 July 2024 in a single call**

(drafted pursuant to Article 125-ter of Italian Legislative Decree no. 58 of 24 February 1998)

*This document is an English courtesy translation from Italian. The Italian original shall prevail in case of differences in interpretation and/or factual errors.*

The Italian Sea Group S.p.A.

**Headquarters - Facilities**  
Viale Cristoforo Colombo, 4BIS  
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Tel. +39 0585 5062  
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**Secondary Headquarter**  
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Fax. +39 0187 2837348

Share capital € 26.500.000 f.p.  
Massa|Carrara Business Register  
REA MS 65218  
VAT no. 00096320452

#### 4. Review of the compensation of the members of the Board of Directors; related and consequent resolutions

Dear Shareholders,

this report (the “**Report**”) was drafted pursuant to Article 125-ter of Italian Legislative Decree no. 58 of 24 February 1998 (“**Italian Consolidated Law on Finance**”) and approved by the Board of Directors of The Italian Sea Group S.p.A. (“**TISG**” or the “**Company**”) at its meeting of 31 May 2024.

This Report is made available to the public, within the terms of the law and regulations, at the Company’s registered office, on the Company’s website [www.investor.theitalianseagroup.com](http://www.investor.theitalianseagroup.com), section “*Corporate Governance*”/“*Annual General Meeting*”, as well as at the “eMarket Storage” mechanism, available at [www.emarketstorage.com](http://www.emarketstorage.com).

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At its meeting of 31 May 2024, the Board of Directors resolved to submit for your approval the proposed revision of the total compensation to be awarded to the members of the TISG Board of Directors. In particular, it is proposed to re-determine the total annual compensation due to the members of the Board of Directors at Euro 135,000.

The distribution of the compensation among the individual Board members will be resolved by the Board of Directors.

This proposal is aimed at aligning the Directors’ compensation to the competence, professionalism and commitment required by the tasks assigned to them within the Board of Directors and Board Committees. In particular, also taking into consideration the admission procedure of TISG’s shares to the STAR segment of Euronext Milan, it is considered appropriate to increase the compensation of directors who are members of the Board Committees. Indeed, it is the intention of the Board of Directors, in case of approval of this resolution proposal by the Shareholders’ Meeting, to allocate the increase of compensation to the members of the Board Committees, called to a higher level of commitment following the admission to the STAR segment.

In light of the above, the Board of Directors submits the following proposal for your approval:

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*The Shareholders' Meeting of The Italian Sea Group S.p.A.:*

- *having noted the Board of Directors' explanatory Report;*
- *having noted the provisions of Article 16 of the Articles of Association;*

**RESOLVES**

1. *to set the total annual compensation for the members of the Board of Directors at Euro 135,000 to be divided among the individual members in accordance with a specific resolution of the Board of Directors”.*

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This Report will be filed at the Company's registered office in Marina di Carrara, Carrara (MS), Viale C. Colombo 4bis, and will also be made available on the Company's website <https://investor.theitalianseagroup.com/>, section “Corporate Governance”/“Annual General Meeting”, as well as at the “eMarket Storage” mechanism, available at [www.emarketstorage.com](http://www.emarketstorage.com).

Marina di Carrara, Carrara (MS), 31 May 2024

The Chair of the Board of Directors

(Filippo Menchelli)