

Report of the Board of Directors on point 4 of the Agenda

PROPOSAL TO AUTHORISE THE PURCHASE AND DISPOSAL OF TREASURY SHARES

Dear Shareholders,

this report was prepared by the Board of Directors in compliance with Article 125-*ter* of Legislative Decree No. 58 of February 24, 1998 ("**CFA**"), in addition to Articles 73 and 84-*ter* of Consob Regulation No. 11971/1999 and amendments and supplements ("**Issuers' Regulation**")-, to outline and submit for the approval of the Shareholders' Meeting the request for authorisation to purchase and dispose of treasury shares, in accordance with Articles 2357 and 2357-*ter* of the Civil Code, Article 132 of the CFA and Article 144-*bis* of the Issuers' Regulation, all in view of the rationale and according to the means and terms outlined below.

We remind you that the previous authorisation to purchase and dispose of treasury shares was approved by the Shareholders' Meeting held on May 30, 2022, and that this authorisation concludes on the approval of the financial statements at December 31, 2022, with no time limit with regard to the authorisation to dispose of treasury shares.

1. Rationale underlying the authorisation request

The Board of Directors considers it beneficial to request a new authorisation from the Shareholders' Meeting to carry out any purchase or disposal of treasury shares to:

- equip the Company with a portfolio of treasury shares to be used as consideration in any future corporate transactions with third parties, or by pledging them as collateral in financial transactions;
- remunerate shareholders in specific market situations, within the limits established by current legislation;
- take opportunities to create value, and to use liquidity efficiently in relation to market trends;
- subsequently cancel the treasury shares, according to the terms and procedures eventually defined by the competent corporate bodies;
- to carry out any other action that the competent Authorities may deem to be market practice.

In any event, the aforementioned transactions shall be carried out within the limits provided for by applicable law and, where applicable, in accordance with the market practices permitted by the supervisory authority pursuant to and for the purposes of Article 13 of Regulation (EU) No. 596/2014 ("**MAR**") in force at the time.

2. Maximum number, category and nominal value of the shares to which the authorisation refers

We propose in accordance with Articles 2357 and 2357-*ter* of the Civil code, that you authorise the Board of Directors to:

- purchase, in one or more tranches, a maximum number of ordinary shares whose number, taking into account those already held by the Company, does not exceed 20% of the share capital;
- dispose of treasury shares purchased in accordance with this motion, in addition to those already held by the Company and those purchased in accordance with the authorisation motion referred to in this report.

3. Information useful for establishing the maximum limit to which authorisation refers

As at the date of this report, the share capital totals Euro 31,716,673.04 and is divided into 54,000,000 ordinary shares without par value (including 3,959,500 treasury shares in portfolio at the date of issue of this report on March 23, 2023).

The purchase and disposal transactions regarding treasury shares will be carried out in compliance with Articles 2357 and subsequent of the Civil code and Article 132 of the CFA: in such an amount that, at any given time these treasury shares do not exceed overall 20% of the share capital, while also within the limits of the retained earnings and available reserves of the last financial statements approved, with the consequent setting up, in accordance with Article 2357-ter, paragraph 3 of the Civil Code, of an undistributable reserve of an amount of the treasury shares from time to time acquired.

The amount of distributable profits and available reserves shall be assessed at the time of undertaking purchases.

4. Duration of the authorisation

The authorisation to purchase is requested for a period beginning from the date of this Shareholders' Meeting and which will continue until the Shareholders' Meeting called to approve the 2023 financial statements, without further time limits concerning the authorisation to dispose of treasury shares is.

During the eventually agreed authorisation period, the Board of Directors may proceed with the authorised transactions on one or more occasions and at any time, to an extent which may be freely established in compliance with the applicable rules and considered to be in the interest of the Company.

5. Minimum and maximum purchase price

We propose that purchases be undertaken at a unitary price of not more than 20% above or below the listed share price on conclusion of the trading session preceding every single transaction, or on the date on which the price is set, in compliance with the conditions established by Article 5 of Delegated Regulation (EC) No. 596/2014 and Article 3 of Delegated Regulation (EU) 2016/1052 of the Commission of March 8, 2016 and the further applicable rules.

With regards to the consideration for the disposal of treasury shares, this shall be established by the Board of Directors, also in compliance with the applicable regulation and according to the criteria and conditions that take account of the execution methods employed, the movement in the price of the share in the period preceding the transaction, the nature of the transaction and in the interest of the Company.

6. Manner to execute purchase and disposal transactions

Purchases may be carried out, on one or more occasions, in compliance with the principle of equal treatment of shareholders, in accordance with Article 132 of the CFA and with the legal and regulatory provisions in force at the time they are carried out.

Specifically, purchases may be made:

- (a) through a public purchase or exchange offer;
- (b) on regulated markets, in accordance with the operating methods set out in the regulations for the organisation and management of these markets, which do not allow the direct matching of buy orders with predetermined sell orders;
- (c) by granting shareholders, in proportion to the shares held, a put option to be exercised within a period of time established in the Shareholders' Meeting motion authorising the purchase programme;
- (d) according to the means established by market practices permitted by Consob as per Article 13 of Regulation (EU) No. 596/2014.

Where convenient for the Board of Directors, treasury shares may be purchased according to methods differing from those indicated above, as long as they are permitted and/or compatible with the applicable legislative and regulatory rules, taking account of the need to comply with the principle of the equal treatment of shareholders.

Disposals may be executed by any means deemed necessary or appropriate in achieving the purpose for which the transaction is carried out, and therefore also outside the market or as part of corporate transactions.

7. Useful information, where the purchase operation is instrumental to the reduction of the share capital by cancelling treasury shares

The purchase transactions will not be instrumental to the reduction of the Company's share capital by cancelling the treasury shares purchased.

PROPOSAL

Dear Shareholders,

in light of that stated above, we propose the following motion:

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

- taking account of the provisions of Articles 2357 and subsequent of the Civil code, 132 of Legislative Decree No. 58/1998 ("CFA") and Article 144-*bis* of Consob Regulation No. 11971/1999 and subsequent amendments (the "**Issuers' Regulation**");
- having noted the Board of Directors' Illustrative Report, prepared pursuant to Articles 125-*ter* of the CFA and 73 of the Issuers' Regulation (the "**Report**");
- having reviewed the Illustrative Report prepared by the Board of Directors and the proposals contained therein;
- acknowledging the opportunity to grant authorisation for the purchase and disposal of treasury shares for the purposes and according to the means indicated in the Report;

RESOLVES

1. to authorise the Board of Directors to purchase, on one or more occasions, a maximum number of ordinary shares which, taking account of those already held by the Company, does not exceed the legal limits, for a period beginning from the date of this Shareholders' Meeting and extending until the date of the Shareholders' Meeting called to approve the 2023 Annual Accounts, with no further time limits. Purchases may be made to:
 - (a) equip the Company with a portfolio of treasury shares to be used as consideration in any future corporate transactions with third parties, or by pledging them as collateral in financial transactions;
 - (b) remunerate shareholders in specific market situations, within the limits established by current legislation;
 - (c) take opportunities to create value, and to use liquidity efficiently in relation to market trends;
 - (d) subsequently cancel the treasury shares, according to the terms and procedures eventually defined by the competent corporate bodies;
 - (e) to carry out any other action that the competent Authorities may deem to be market practice.
2. to grant to the Board of Directors the broadest range of powers to execute the purchase transactions, according to the means indicated at point 6 of the Report, at a unitary price of not more than 20% above or below the listed share price on conclusion of the trading session preceding every single transaction, or on the date on which the price is set; all in compliance with the applicable legal and regulatory provisions, including, where applicable, permitted market practice;
3. to authorise the Board of Directors to dispose of, without further time limits, the shares held in portfolio, on one or more occasions (and also before completing the purchases), for the purposes illustrated in the

Report and according to the means permitted by the applicable regulation, with the faculty of the Board of Directors to establish on a case by case basis, considering the purposes pursued and the nature of the transaction, the terms, means and conditions to utilise the treasury shares;

4. to grant to the Board of Directors and, on its behalf the Chairperson and Chief Executive Officer in office, separately and with the faculty to sub-delegate, all powers necessary to execute these motions.

Turin, March 9, 2023

for the Board of Directors

The Chairperson

Marco Daniele Boglione