



Courtesy Translation. In case of discrepancy with the Italian text, the latter prevails.



Biagio Caliendo  
Notary

Register no. 4,197

File no. 2,883

## MINUTES OF BOARD MEETING

REPUBLIC OF ITALY

On the twelfth day of the month of March in the year two thousand and twenty, at 11 am.

12th March 2020

At Via delle Querce 51, San Giovanni in Marignano (RN), at the registered offices of "AEFFE S.P.A." if requested.

Before me, BIAGIO CALIENDO, Notary in Rimini, registered with the Combined Notarial Districts of Forlì and Rimini,

### THERE APPEARS:

- MASSIMO FERRETTI, born in Cattolica on 6th April 1956 and domiciled for the purpose of his position at Via delle Querce 51, San Giovanni in Marignano, the personal identity of whom I, Notary, am certain, who declaring that he acts as the Chairman of the Board of Directors and, as such, in the interests of the following listed limited liability company:

### "AEFFE S.P.A."

with registered offices at Via delle Querce 51, San Giovanni in Marignano, and authorized share capital of Euro 31,070,626.00 (thirty-one million, seventy thousand, six hundred and twenty-six/00), subscribed and paid in Euro 26,840,626.00 (twenty-six million, eight hundred and forty thousand, six hundred and twenty-six/00), represented by 107,362,504 (one hundred and seven million, three hundred and sixty-two thousand, five hundred and four) shares, nominal value Euro 0.25 (zero point two five) each, Tax Code, VAT and Romagna - Forlì-Cesena and Rimini Companies Register no. 01928480407 and Business Register (REA) no. RN-227228,

requests me to receive the minutes of the meeting of the Board of Directors of the above Company, called for this date, place and time, pursuant to art. 17 (seventeen) of the current Articles of Association, by a notice sent to all entitled persons on 6th March 2020 by fax and by e-mail, to resolve on the following:

### AGENDA

#### In extraordinary session

1. Alignment of the Articles of Association to reflect the regulatory requirements of the TUF (Consolidated Finance Law).

#### In ordinary session

2. Approval of the draft financial statements of Aeffe S.p.A. as of and for the year ended 31/12/2019 (balance sheet, income statement and explanatory notes) and related report on operations;

3. Approval of the consolidated financial statements of the "Aeffe Group" as of and for the year ended 31/12/2019 (balance sheet, income statement and explanatory notes) and related report on operations.

4. Approval of the consistency of the impairment test procedure with the requirements of IAS 36.

5. Approval of the Report on Corporate Governance.

6. Approval of the Remuneration Report.

7. Approval of the half-year report (IInd semester 2019) of the Audit Committee.

8. Board self-assessment of the size, composition and functioning of the Board and its committees;

Registered with the  
Rimini Tax Office

on 17th March 2020,  
number 2874/1T

Filed with the Romagna-  
Forlì-Cesena and Rimini  
Companies Register

ref. no. 16357/2020  
on 17th March 2020

9. Any other business.

The person before me therefore invites me, Notary, to take the minutes of the meeting with regard to the first item on the agenda, so acting as meeting secretary in accordance with the law and the Articles of Association, while discussion of the matters listed as items 2 (two) through 9 (nine) inclusive, which do not require the presence of a Notary and whose assistance is not requested by the Board of Directors, will continue after discussion of the first item has been completed, with consequent adoption of the related resolutions.

Agreeing, I Notary confirm that the above Board Meeting takes place as follows.

The person before me takes the Chair, pursuant to the Articles of Association, and states that the meeting is held by conference call, as allowed by and in full compliance with the provisions of art. 17 (seventeen) of the Articles of Association; accordingly, he confirms that not only can he identify correctly all those attending, but so can all the other persons attending, since they have known each other for a long time; he also confirms and guarantees that he has checked that they are able to follow the discussions from the connected locations, where they have congregated, and can participate in real time in the discussion of the matters on the agenda, as well as receive and transmit the necessary documentation, such that this meeting may be deemed properly constituted.

The Chairman therefore confirms that, in addition to himself, directors Simone Badioli and Marcello Tassinari are physically present at this location, that the following appointed members of the Board of Directors, Alessandro Bonfiglioli, Daniela Saitta, Bettina Camedelli and Roberto Lugano, are connected by conference call and that apologies have been received from Director Alberta Ferretti. The person before me also notes that the following serving members of the Board of Statutory Auditors are connected by conference call: Carla Trott, Angelo Miglietta and Fernando Ciotti.

The Chairman, therefore, having verified the identity and right to attend of those present, declares the meeting to be properly constituted, given the convocation specified above, and ready to resolve on the first item on the agenda repeated above, considering that art. 19 (nineteen) of the current Articles of Association of the Company establishes that the Board of Directors is responsible, *inter alia*, for resolutions to align the Articles of Association with compulsory regulatory requirements.

In particular, he notes that it is necessary to make certain amendments to the Articles of Association that govern the functioning of the Company, in order to align them with the provisions of arts. 147-ter and 148 of Decree no. 58 dated 24th February 1998 (Consolidated Finance Law - "TUF").

The Chairman proposes, in particular, to amend arts. 15.3, 22.1 and 22.3 of the Articles of Association, so that the tenor of their text, as presented below, is consistent with the above updated compulsory regulatory requirements:

*"15.3 The lists of candidates signed by the shareholders presenting them, or by the shareholder appointed to present them, and accompanied by the documentation required by these articles of association must be filed, via electronic documents bearing digital signatures applied in accordance*

*with the applicable regulations, or otherwise, at the registered offices of the Company no later than twenty-five (25) calendar days prior to the date fixed for the Shareholders' Meeting in first (or only) calling and published on the Company's website at least 21 (twenty-one) calendar days prior to the date fixed for the Meeting in first (or only) calling, or any different minimum time envisaged by current legislation or regulations. The filed lists of candidates will also be valid for subsequent callings of the same Meeting, if applicable. In order to demonstrate ownership of the number of shares necessary for the presentation of a list, each nominating shareholder must file the documents confirming such ownership at the registered offices, together with the list, not later than 21 (twenty-one) calendar days prior to the date fixed for the Meeting in first (or only) calling. Each candidate can appear on just one list, or will be ineligible for election. Each list must contain a number of candidates not exceeding the maximum number of members to be elected. Lists containing a number of candidates equal to or greater than three must also include candidates belonging to both genders, so that the share of candidates provided for by the pro-tempore legislation in force belongs to the least represented gender (with rounding, in case of number fractional, to the higher unit). .*

*The candidates must be listed in consecutive numerical order. Shareholders who present a list that aspires to obtain the largest number of votes are responsible for ensuring that such list contains a sufficient number of candidates.*

*In addition to each list, the following information must be filed at the registered offices by the above deadline:*

- a) the list of shareholders presenting the list, stating their personal or business names, addresses, company registration numbers or equivalent, and total percentage interest held in the Company's share capital.*
- b) the curriculum vitae of each candidate, containing full information on their personal and professional characteristics and an indication, where applicable, that they satisfy the independence requirements established in para. 4 of art. 147-ter of Decree No. 58 dated 24th February 1998 and subsequent amendments, as well as: (i) their appointments as non-executive directors or auditors of companies listed on regulated markets (including foreign markets) and of banks, insurance companies and other major companies, being those whose total assets or sales reported in their latest financial statements exceeded Euro 500,000,000.00 (five hundred million); ii) their appointments as executive directors of any company, including those not covered by the categories mentioned in point (i) above, except for companies that "merely hold" property, equity investments or other assets, and companies whose latest reported sales were Euro 50,000,000.00 (fifty million) or less. For each company in which appointments are held, the following information must be provided: name, address, company registration number or equivalent, and the nature of the appointment (indicating also if directorships are executive, non-executive or independent);*
- c) the declarations of each candidate confirming acceptance of their nomination and certifying under their personal responsibility:*
  - the absence of reasons for which they would be ineligible or for which their appointment would lapse pursuant to art. 2382 of the Italian Civil Code;*
  - possession of the honourability and professionalism requirements established by current and applicable laws and/or regulations;*

*- possession, if applicable, of the independence requirements established in art. 148.3 of Law No. 58 dated 24th February 1998 and subsequent amendments, and/or their suitability to serve as an independent director pursuant to the Code of Self-Regulation prepared by the Committee for the Corporate Governance of Listed Companies sustained by Borsa Italiana S.p.A. Lists of candidates that do not comply with the requirements specified in the preceding paragraphs will be treated as if they had not been presented. Information about the lists presented is communicated in the circumstances and on the basis established by current regulations."*

**"22.1** *The Board of Statutory Auditors comprises 3 (three) serving auditors, of which at least two must be a member of the least represented gender; the Shareholders' Meeting shall also appoint two alternate auditors, one from each gender. The appointments are made on the basis of lists presented by the shareholders containing a number of candidates not exceeding the maximum number of members to be elected, following the process specified below."*

**"22.3** *Each list must comprise two sections: one for the appointment of serving auditors, and the other for the appointment of alternate auditors, listed in consecutive numerical order. The candidates of each section must be listed by progressive number. Each candidate can appear on just one list, or will be ineligible for election.*

*The lists which, considering both sections, contain a number of candidates equal to or greater than three, must ensure respect for the balance between genders, so that the share of candidates envisaged by the current pro-tempore legislation belongs to the least represented gender. . Lists of candidates that do not comply with the requirements envisaged in this paragraph shall be treated as if not presented."*

without changing any other articles of the Articles of Association.

Following comprehensive discussion, the Board of Directors, having

- heard the proposals of the Chairman;
- considered that the tenor of the proposed amendments to the Articles of Association is absolutely consistent with the current, updated provisions of arts. 147-ter and 148 of Decree no. 58 dated 24th February 1998;
- heard the favorable opinion of the Board of Statutory Auditors following comprehensive discussion, with vote cast verbally, unanimously

**RESOLVES**

- 1) ) to align the Articles of Association that govern the functioning of the Company with the current, updated provisions of arts. 147-ter and 148 of Decree no. 58 dated 24th February 1998
- 2) to amend, as a consequence, the third paragraph of art. 15 (fifteen) and the first and third paragraphs of art. 22 (twenty-two) of the Articles of Association, which now read as follows:

*"15.3 The lists of candidates signed by the shareholders presenting them, or by the shareholder appointed to present them, and accompanied by the documentation required by these articles of association must be filed, via electronic documents bearing digital signatures applied in accordance with the applicable regulations, or otherwise, at the registered offices of the Company no later than twenty-five (25) calendar days prior to the date fixed for the Shareholders' Meeting in first (or only) calling and published on*

*the Company's website at least 21 (twenty-one) calendar days prior to the date fixed for the Meeting in first (or only) calling, or any different minimum time envisaged by current legislation or regulations. The filed lists of candidates will also be valid for subsequent callings of the same Meeting, if applicable. In order to demonstrate ownership of the number of shares necessary for the presentation of a list, each nominating shareholder must file the documents confirming such ownership at the registered offices, together with the list, not later than 21 (twenty-one) calendar days prior to the date fixed for the Meeting in first (or only) calling. Each candidate can appear on just one list, or will be ineligible for election. Each list must contain a number of candidates not exceeding the maximum number of members to be elected. Lists containing a number of candidates equal to or greater than three must also include candidates belonging to both genders, so that the share of candidates provided for by the pro-tempore legislation in force belongs to the least represented gender (with rounding, in case of number fractional, to the higher unit). .*

*The candidates must be listed in consecutive numerical order. Shareholders who present a list that aspires to obtain the largest number of votes are responsible for ensuring that such list contains a sufficient number of candidates.*

*In addition to each list, the following information must be filed at the registered offices by the above deadline:*

*a) the list of shareholders presenting the list, stating their personal or business names, addresses, company registration numbers or equivalent, and total percentage interest held in the Company's share capital.*

*b) the curriculum vitae of each candidate, containing full information on their personal and professional characteristics and an indication, where applicable, that they satisfy the independence requirements established in para. 4 of art. 147-ter of Decree No. 58 dated 24th February 1998 and subsequent amendments, as well as: (i) their appointments as non-executive directors or auditors of companies listed on regulated markets (including foreign markets) and of banks,*

*insurance companies and other major companies, being those whose total assets or sales reported in their latest financial statements exceeded Euro 500,000,000.00 (five hundred million); ii) their appointments as executive directors of any company, including those not covered by the categories mentioned in point (i) above, except for companies that "merely hold" property, equity investments or other assets, and companies whose latest reported sales were Euro 50,000,000.00 (fifty million) or less. For each company in which appointments are held, the following information must be provided: name, address, company registration number or equivalent, and the nature of the appointment (indicating also if directorships are executive, non-executive or independent);*

*c) the declarations of each candidate confirming acceptance of their nomination and certifying under their personal responsibility:*

- the absence of reasons for which they would be ineligible or for which their appointment would lapse pursuant to art. 2382 of the Italian Civil Code;*
- possession of the honourability and professionalism requirements established by current and applicable laws and/or regulations;*
- possession, if applicable, of the independence requirements established in*

*art. 148.3 of Law No. 58 dated 24th February 1998 and subsequent amendments, and/or their suitability to serve as an independent director pursuant to the Code of Self-Regulation prepared by the Committee for the Corporate Governance of Listed Companies sustained by Borsa Italiana S.p.A. Lists of candidates that do not comply with the requirements specified in the preceding paragraphs will be treated as if they had not been presented. Information about the lists presented is communicated in the circumstances and on the basis established by current regulations."*

*"22.1 The Board of Statutory Auditors comprises 3 (three) serving auditors, of which at least two must be a member of the least represented gender; the Shareholders' Meeting shall also appoint two alternate auditors, one from each gender. The appointments are made on the basis of lists presented by the shareholders containing a number of candidates not exceeding the maximum number of members to be elected, following the process specified below."*

*"22.3 Each list must comprise two sections: one for the appointment of serving auditors, and the other for the appointment of alternate auditors, listed in consecutive numerical order. The candidates of each section must be listed by progressive number. Each candidate can appear on just one list, or will be ineligible for election.*

*The lists which, considering both sections, contain a number of candidates equal to or greater than three, must ensure respect for the balance between genders, so that the share of candidates envisaged by the current pro-tempore legislation belongs to the least represented gender. .*

*Lists of candidates that do not comply with the requirements envisaged in this paragraph shall be treated as if not presented."*

without changing the other paragraphs of the above articles amended by the resolutions, or any other articles of the Articles of Association;

3.) to grant to all directors, as sole signatories with the right to sub-delegate, all the widest powers to execute the above resolutions.

Lastly, the Board of Directors, again unanimously,

#### **MANDATES AND AUTHORIZES**

the legal representatives pro tempore, as sole signatories, to make all amendments, deletions or additions to the text of these minutes that may be requested by the Supervisory Authority or on filing with the competent Companies Register.

Having completed discussion of the above first item on the Agenda and no one requesting the floor, the Chairman turns to discussion of the remaining items on the Agenda that I, Notary, am not requested to minute, since that will be done separately.

The time is 11.15 am.

The Chairman requests me, Notary, to attach to these minutes the full updated text of the **Articles of Association** governing the functioning of the Company, inclusive of the amendments adopted by the above resolutions. Agreeing to the request made to me, I Notary **attach** the indicated document to this deed as annex "A".

To the extent necessary, the Administrative Body appoints me, Notary, to complete the requirements relating to this deed and established by law with the competent Companies Register.

The expenses incurred for this deed and related subsequent actions are borne by the Company. The person before me waives reading the attachment to this deed, stating that he has exact knowledge of its contents.

Having declared himself conversant with the contents of art. 13 of Decree no. 196/2003 and Regulation (EU) 2016/679 (GDPR - General Data Protection Regulation), the person before me consents to the processing of the relevant personal and company data, its storage by electronic and other means, and the issue of copies of this deed to anyone that requests them.

I read these minutes, partly handwritten by me and partly written by electronic means by a person in my trust, on two legal sheets for a total of seven pages up to this point, to the person before me, who approves them and signs them with me, Notary, at 11.20 am.

SIGNED: MASSIMO FERRETTI; BIAGIO CALIENDO, NOTARY (Seal).

## **ARTICLES OF ASSOCIATION FORMATION - REGISTERED OFFICES - DURATION**

### **Article 1**

#### **Company name**

A company with liability limited by shares is formed under the name of "**AEFFE S.p.A.**".

### **Article 2**

#### **Registered offices**

**2.1** The registered offices of the company are in the municipality of San Giovanni in Marignano (Rimini).

**2.2** The administrative body may open secondary offices, branches, offices and warehouses, both in Italy and abroad, and may move the registered offices of the company anywhere in Italy.

### **Article 3**

#### **Duration**

The duration of the company is fixed until 31 December 2050 and may be extended in accordance with current legislation.

### **OBJECTS**

#### **Article 4**

#### **Corporate objects**

**4.1** The objects of the company are the creation of styles and models for mens' and womens' clothing, accessories, furnishings, perfumes and toiletries, stationery, and articles for the home and the person, the promotion of brands and styling, and the industrial production and sale of articles of clothing in general and related activities.

The company may then proceed to sell the above products, both on a wholesale and a retail basis, through its own outlets or otherwise, and engage in photographic and advertising campaigns and promotional activities of all kinds, and in commercial activities relating to the above sectors.

**4.2** The company may also:

- provide technical, administrative, electronic and data processing, and financial services to companies in which it hold direct or indirect investments and/or to companies that are in any case part of the group;
- grant and/or obtain loans in any form, as well as manage services for the collection, payment and transfer of funds, whether via centralised treasury management contracts or otherwise, on behalf of companies in which it hold direct or indirect investments and/or companies that are in any case part of the group.

**4.3** In order to carry out the activities comprising its corporate objects, the company may acquire, as a stable investment and not for placement in the market, direct or indirect equity investments in other companies whose objects are similar, complementary, related or connected with those of its own, on condition that this is not a principal activity and only takes place on an occasional basis in support of its principal activities, and may carry out all industrial, commercial, investment, property and financial transactions (including the provision of services of all kinds) – in this last case not involving the general public - however connected, useful or complementary to the direct or indirect achievement of the corporate objects, with the absolute exclusion of operations that solicit the savings of the general public, trust activities, transactions that gather savings from the general public, activities reserved for registered stockbrokers (SIMs) and all other activities that are reserved by law.

The company may obtain loans from shareholders in accordance with the provisions of art. 11 of Decree 385 dated 1 September 1993 and subsequent amendments, and with the CICR resolutions that are current from time to time.

### **SHARE CAPITAL**

#### **Article 5**

#### **Share capital**

**5.1** Share capital amounts to Euro 26,840,626, represented by 107,362,504 ordinary shares, par value Euro 0.25 each.

Capital contributions at the time of capital increases or otherwise may be made in the form of cash, goods in kind or receivables.

**5.2** The pre-emption rights of shareholders in relation to the issue of new shares may be waived, pursuant to art. 2441.4 of the Italian Civil Code, up to a maximum of 10% (ten percent) of the pre-existing share capital, on condition that the issue price corresponds to the market value of the shares, as confirmed in a specific report issued by the auditing firm appointed to audit the Company's accounting records.

**Article 6**

**Shares**

**6.1** Shares are registered in the names of their holders and indivisible; depending on their class, they carry equal rights for their holders.

**6.2** The status of shareholder involves complete and absolute acceptance of the company's memorandum of association and these articles of association.

**6.3** The company may purchase and hold treasury shares for the purposes and on the basis envisaged by law.

**6.4** Without prejudice to the applicable legislative and regulatory instructions, the shares of the company may be administered in electronic form and included in the centralised management system envisaged by Decree 58 dated 24 February 1998.

**Article 7**

**Bonds**

**7.1** The company may issue both registered and bearer bonds in accordance with and on the basis envisaged by law.

**7.2** The company may also issue convertible bonds, in accordance with legal requirements.

**7.3** The Board of Directors is responsible for the issue of ordinary bonds. The extraordinary shareholders' meeting resolves on the issue of convertible bonds and bonds cum warrant, and also determines the exchange ratio, and the timing and basis of conversion, in compliance with art. 2420-bis of the Italian Civil Code and other applicable legislative requirements.

**Article 8**

**Domicile of Shareholders**

For all relations with the company, the shareholders are understood to have elected domicile at the address recorded in the register of members.

**Article 9**

**Withdrawal of Shareholders**

Shareholders may only withdraw, on the basis envisaged by law, in the circumstances in which the right to withdraw cannot be excluded.

**GENERAL MEETINGS**

**Article 10**

**General meetings**

**10.1** Shareholders' meetings are either ordinary or extraordinary, as defined by law.

**10.2** Shareholders' Meetings are called at the registered offices or elsewhere in Italy by a notice published, within the timescales envisaged by current legislation, in a national daily newspaper. The notice is published on the company's website and it must be published, in extract, in a national daily newspaper.

**10.3** In addition to the date, time and place of the meeting, the notice of meeting also contains a list of matters to be discussed and indicates, where applicable, the locations which will be linked by audio/videoconference. In addition to the other information required by current legislation, the notice of meeting also contains the information concerning (i) the procedures to be followed by the shareholders in order to participate in and vote at Shareholders' Meetings, such as, for example, the right to put questions

prior to the Shareholders' Meeting and the right to add items to the agenda and present further proposals on matters already on the agenda, as well as, by reference to the Company's website or otherwise, any additional details regarding such rights and how they may be exercised; (ii) the procedure for proxy voting and information about the forms that the shareholders are entitled to use in order to vote by proxy, as well as methods for notifying any proxies granted by electronic or other means; (iii) the identity of any party appointed by the Company for the assignment of proxy votes, as well as the procedures and terms for the granting of proxies by shareholders, with the clarification that the proxy has no effect with regard to proposals for which voting instructions have not been given (iv) the procedures and the deadlines for access to the full text of proposed resolutions, together with the illustrative reports and documents that will be submitted to the Shareholders' Meeting; (v) the address of Company's website.

**10.4** The notice of meeting may also indicate dates for any callings subsequent to the first.

**10.5** The ordinary meeting is called in the circumstances envisaged by law and every time deemed appropriate by the administrative body, but in any case at least once each year within one hundred and twenty days of the end of the financial year; this deadline may be extended to one hundred and eighty days if the company is required to prepare consolidated financial statements or when required by special circumstances concerning the organisation and objects of the company. In these latter circumstances, the directors explain the reasons for the extension in the report required by art. 2428 of the Italian Civil Code.

**10.6** The shareholders' meeting is also called by the Board of Directors at the request of shareholders representing at least the 5% (five percent) of the share capital, to the extent allowed by the final paragraph of art. 2367 of the Italian Civil Code, or by the Board of Statutory Auditors, or by at least 2 (two) of its members.

## **Article 11**

### **Legitimation to partecipate and Attendance at General Meetings**

**11.1** The legitimation to partecipate to the Meeting and to exercise the vote right is granted to the Holders of shares on the basis of the communication issued by the authorised intermediary taking as reference the relevant accounting documentation at the end of the seventh day of open market precedent the date of the Meeting in first (or only) calling. Holders of shares that carry voting rights may attend the Meeting if the communication confirming such rights, released by the authorised intermediary pursuant to art. 83-sexies of TUF, is received by the company within the begin of the Meeting.

**11.2** All shareholders entitled to attend the Shareholders' Meeting may be represented by another person, who need not be a shareholder, bearing a written proxy prepared in accordance with legal requirements. The proxy may be granted via an electronic document bearing a digital signature applied in accordance with the applicable regulations. The proxy may be notified to the Company by certified e-mail at the e-mail address indicated from time to time in the notice of meeting..

## **Article 12**

### **Chairman and conduct of the Meeting**

**12.1** Ordinary and extraordinary meetings can be held in multiple locations, either adjoining or distant, that are linked by audio/video communications, on condition that the collegiate method and the principles of good faith and equal treatment for all shareholders are respected. In particular, it is necessary that:

- (i) the Chairman of the Meeting, with support from the chairman's office or otherwise, is able to determine the identity and legitimacy of those attending, govern the conduct of the meeting, and determine and proclaim the results of voting;
- (ii) the person responsible for taking the minutes is able to follow adequately the meeting events to be minuted;
- (iii) those attending are able to take part in the discussions and in simultaneous voting on the matters on the agenda;
- (iv) the notice of meeting specifies the locations equipped with audio/video communications provided by the company, where shareholders may gather; the meeting will be deemed to be held in the location where

both the Chairman and the person responsible for taking the minutes are present.

**12.2** The Meeting is chaired by the Chairman of the Board of Directors or, if absent or unavailable, by the Deputy Chairman, if appointed; if the latter is also absent or unavailable, the Meeting elects a chairman by a majority of those present. The Chairman is assisted by a secretary, who need not be a shareholder, appointed by the Meeting and, at his discretion, by two scrutineers. Where required by law or at the discretion of the Chairman of the Meeting, the secretarial functions are performed by a public notary.

**12.3** The Chairman of the Meeting, who may appoint assistants, is responsible for: determining the right of shareholders to attend (in person, by proxy or via audio/video conference); determining that the Meeting is properly constituted and quorate; directing and moderating the discussions and establishing how voting shall take place; determining and proclaiming the outcome of voting.

**12.4** The business of the Meeting is governed by the meeting regulations approved at the ordinary shareholders' meeting.

### **Article 13**

#### **Validity of Meeting resolutions**

The constitution of and resolutions adopted at ordinary and extraordinary meetings are governed by legislative requirements and the provisions of these Articles of Association.

### **ADMINISTRATION – REPRESENTATION OF THE COMPANY**

#### **Article 14**

##### **Composition of the Board of Directors**

**14.1** The company is administered by a Board of Directors comprising a variable number of members, between seven and nine, who need not be shareholders, of which the least represented gender comprises at least two fifth of the total, as rounded up to the nearest whole number in the case of a fraction. The number of Board members is determined at the Shareholders' Meeting and remains fixed until decided otherwise at another Shareholders' Meeting. The Board of Directors includes both executive and non-executive directors.

**14.2** In all cases, at least one member of the Board of Directors, or two if the Board of Directors comprises more than seven members, must satisfy the independence requirements established in art. 148.3 of Decree No. 58 dated 24th February 1998. .

**14.3** The directors remain in office for three financial years and their appointments expire on the date of the Meeting called to approve the financial statements for the final year of their mandate; they may be re-elected.

#### **Article 15**

##### **Appointment of the Board of Directors**

**15.1** The ordinary shareholders' meeting is responsible for appointing the members of the Board of Directors from the lists of candidates presented by the shareholders, following the methodology described below and in compliance with the regulations currently in force on gender balance, rounding up to the nearest whole number the number of candidates belonging to the least represented gender, if application of the gender balance criterion does not result in a whole number.

**15.2** Shareholders have the right to present lists of candidates if, individually or collectively, they represent at least 2.5% (two point five percent) of the shares with voting rights at ordinary meetings, or such different percentage of the company's share capital as is established by current and applicable laws and/or regulations. Each shareholder (as well as (i) shareholders belonging to the same group, comprising the controlling party, not necessarily a company, as defined in art. 2359 of the Italian Civil Code, and all companies controlled by or under the joint control of that party, or (ii) the members of the same shareholders' syndicate pursuant to art. 122 of Decree 58 dated 24 February 1998, or (iii) the shareholders who are otherwise joined in relationships deemed relevant under current and applicable laws and/or regulations) may present or contribute together with other shareholders to the presentation, directly or via intermediaries or trust companies, of just one list of candidates; all lists presented by shareholders presenting multiple lists will be void.

**15.3** The lists of candidates signed by the shareholders presenting them, or by the shareholder appointed to present them, and accompanied by the documentation required by these articles of association must be filed, via electronic documents bearing digital signatures applied in accordance with the applicable regulations, or otherwise, at the registered offices of the Company no later than twenty-five (25) calendar days prior to the date fixed for the Shareholders' Meeting in first (or only) calling and published on the Company's website at least 21 (twenty-one) calendar days prior to the date fixed for the Meeting in first (or only) calling, or any different minimum time envisaged by current legislation or regulations. The filed lists of candidates will also be valid for subsequent callings of the same Meeting, if applicable. In order to demonstrate ownership of the number of shares necessary for the presentation of a list, each nominating shareholder must file the documents confirming such ownership at the registered offices, together with the list, not later than 21 (twenty-one) calendar days prior to the date fixed for the Meeting in first (or only) calling. Each candidate can appear on just one list, or will be ineligible for election. Each list must contain a number of candidates not exceeding the maximum number of members to be elected. . Lists containing a number of candidates equal to or greater than three must also include candidates belonging to both genders, so that the share of candidates provided for by the pro-tempore legislation in force belongs to the least represented gender (with rounding, in case of number fractional, to the higher unit). .

The candidates must be listed in consecutive numerical order. Shareholders who present a list that aspires to obtain the largest number of votes are responsible for ensuring that such list contains a sufficient number of candidates.

In addition to each list, the following information must be filed at the registered offices by the above deadline:

- a) the list of shareholders presenting the list, stating their personal or business names, addresses, company registration numbers or equivalent, and total percentage interest held in the Company's share capital.
- b) the curriculum vitae of each candidate, containing full information on their personal and professional characteristics and an indication, where applicable, that they satisfy the independence requirements established in para. 4 of art. 147-ter of Decree No. 58 dated 24th February 1998 and subsequent amendments, as well as: (i) their appointments as non-executive directors or auditors of companies listed on regulated markets (including foreign markets) and of banks, insurance companies and other major companies, being those whose total assets or sales reported in their latest financial statements exceeded Euro 500,000,000.00 (five hundred million); ii) their appointments as executive directors of any company, including those not covered by the categories mentioned in point (i) above, except for companies that "merely hold" property, equity investments or other assets, and companies whose latest reported sales were Euro 50,000,000.00 (fifty million) or less. For each company in which appointments are held, the following information must be provided: name, address, company registration number or equivalent, and the nature of the appointment (indicating also if directorships are executive, non-executive or independent);
- c) the declarations of each candidate confirming acceptance of their nomination and certifying under their personal responsibility:
  - the absence of reasons for which they would be ineligible or for which their appointment would lapse pursuant to art. 2382 of the Italian Civil Code;
  - possession of the honourability and professionalism requirements established by current and applicable laws and/or regulations;
  - possession, if applicable, of the independence requirements established in art. 148.3 of Law No. 58 dated 24th February 1998 and subsequent amendments, and/or their suitability to serve as an independent director pursuant to the Code of Self-Regulation prepared by the Committee for the Corporate Governance of Listed Companies sustained by Borsa Italiana S.p.A. Lists of candidates that do not comply with the requirements specified in the preceding paragraphs will be treated as if they had not been presented. Information about the lists presented is communicated in the circumstances and on the basis established by current regulations.

**15.4** Each shareholder with the right to vote (as well as (i) shareholders belonging to the same group, comprising the controlling party, not necessarily a company, as defined in art. 2359 of the Italian Civil Code, and all companies controlled by or under the joint control of that party, or (ii) the members of the same

shareholders' syndicate pursuant to art. 122 of Decree 58 dated 24 February 1998 and subsequent amendments, or (iii) the shareholders who are otherwise joined in relationships deemed relevant under current and applicable laws and/or regulations) may vote for just one list.

Voting is transparent and not secret.

For the purposes of appointing directors in accordance with the following instructions, no account will be taken of lists that do not receive at least half the percentage of votes required by art. 16.2 of these articles of association for the presentation of such lists.

If no lists are presented, the Meeting resolves in accordance with the majorities fixed by the current legislation.

**15.5** If just one list is presented, all the members of the Board of Directors will be drawn from that list. The Shareholders' Meeting will appoint any directors remaining to be elected, applying the majorities envisaged by law. If, on the other hand, two or more lists are presented, the Board of Directors is appointed in the following manner:

- a) all the candidates, up to the number decided each time at the Shareholders' Meeting, less one, will be drawn from the list that obtains the majority of the votes cast by the shareholders and appointed as directors in the numerical order in which they are presented on that list;
- b) the remaining number of candidates to be elected will be drawn from the list that obtains the second-largest number of votes and appointed as directors in the numerical order in which they are presented on that list, on condition that such list is not linked in any way, directly or indirectly, with the shareholders who presented or voted for the list that obtained the largest number of votes;
- c) the directors to be elected who satisfy the independence requirements established in these articles of association will be drawn from the list that obtains the largest number of votes cast by the shareholders or, to the extent that this is not possible, from that which obtains the second-largest number of votes;
- d) in the event of a voting tie between two or more lists, the candidates on the list presented by shareholders with the greatest total equity interest or, failing this, by the largest number of shareholders, will be elected.

If the composition of the Board of Directors does not comply with the gender balance criterion then, having regard for the order of listing, the candidate from the most represented gender elected last from the list that obtained the largest number of votes (the "Majority List") shall be replaced, in consecutive numerical order, by the first candidate not elected from that list. Application of this replacement procedure will continue until the composition of the Board of Directors complies with the regulations in force at the time concerning gender balance.

If using the list voting mechanism the number of candidates is lower than the minimum number of Board directors envisaged in the Articles of association, or if using the list voting mechanism the required number of candidates from the least represented gender is not reached, the Board of Directors shall be elected and supplemented at the Shareholders' Meeting, applying the majorities envisaged by law.

**15.6** If, during the year, one or more directors drawn from the list that obtained the largest number of votes (the "Majority Directors") cease to serve for any reason, they will be replaced as follows on condition that the majority of the directors elected at the Meeting continues to serve:

- a) the Board of Directors will replace the Majority Directors who have ceased to serve by co-opting new directors, pursuant to art. 2386 of the Italian Civil Code, having regard for both the requirement that independent directors must be co-opted if one or more of the Majority Directors who have ceased to serve were independent directors and the requirement to comply with current regulations on gender balance; b) the co-opted directors remain in office until the next Shareholders' Meeting which will either confirm or replace them in the usual manner with the normal majorities, without recourse to the system of list voting described in this article 15.

If, during the year, one or more directors drawn from the list that obtained the second-largest number of votes (the "Minority Directors") cease to serve for any reason, they will be replaced as follows:

- a) the Board of Directors will replace the Minority Directors who have ceased to serve by the first unelected candidates on the same list, on condition that they are still eligible and willing to accept the appointment, and that the appointment complies with current regulations on gender balance or, otherwise, by the first eligible and willing candidates drawn in order from that list or, failing this, from the first subsequent list by

number of votes cast that achieved the voting quorum referred to in art. 15.2 above; the mandates of these replacements expire at the same time as those of the directors who were serving when they joined the Board;

b) if one or more of the Minority Directors who ceased to serve was an independent director, they must be replaced by other independent directors;

c) if it is not possible to proceed on the basis described above, due to a lack of candidates on the lists or their unwillingness to serve, the Board of Directors co-opts a new director, pursuant to art. 2386 of the Italian Civil Code, who is selected by the Board using the criteria established by law and in compliance with the current regulations on gender balance. The director co-opted on this basis will remain in office until the next Shareholders' Meeting which will either confirm or replace him in the usual manner with the normal majorities, without recourse to the system of list voting described in this article 15. .

**15.7** If for any reason the appointment or replacement of one or more directors cannot be accomplished in accordance with the requirements envisaged in this article, the legislation governing the appointment of directors will be applied without following the procedures described in the above paragraphs. In this case, the candidates must have accepted their nominations and confirmed, under their personal responsibility, the absence of reasons for which they would be ineligible or incompatible, and that they satisfy the requirements established by the applicable regulations and these articles of association.

## **Article 16**

### **Chairman – Deputy Chairman - Secretary**

If not already decided at the Shareholders' Meeting, by a resolution adopted with the majority required by law, the Board of Directors elects a Chairman from among its number and, where deemed appropriate, a Deputy Chairman and a Secretary (who in this last case need not be a director).

## **Article 17**

### **Meetings of the Board of Directors**

**17.1** Meetings of the Board of Directors are called at the registered offices or elsewhere in Italy by the Chairman or by the Deputy Chairman, if appointed, or by a managing director or by the Board of Statutory Auditors or one of the statutory auditors, on notice to the Chairman.

**17.2** The notice of the Board Meeting is sent to each director and serving statutory auditor by fax, letter or telegram at least five calendar days prior to the date fixed for the meeting; in urgent cases, this notice period may be reduced to 24 hours. In addition to the date, time and place of the Board Meeting, the notice of meeting also contains a list of matters to be discussed (to the extent already known) and indicates, where applicable, the locations which will be linked by audio/videoconference.

**17.3** The meeting of the Board of the Directors is properly constituted, in the absence of formal notice, if all the appointed directors and serving statutory auditors are present.

**17.4** The meetings of the Board of Directors can be properly held in multiple locations, either adjoining or distant, that are linked by audio/video communications, on condition that the collegiate method and the principles of good faith and equal treatment for all directors are respected. In this case, it is necessary that:

a) the Chairman of the meeting is able to determine unmistakably the identity and legitimacy of those attending, govern the conduct of the meeting, and determine and proclaim the results of voting;  
b) the person responsible for taking the minutes is able to follow adequately the meeting events to be minuted;

c) those attending are able to exchange documentation and in any case take part in real time in the discussions and in simultaneous voting on the matters on the agenda.

The meeting is deemed to be held in the location where both the Chairman and the person responsible for taking the minutes are present.

**17.5** The resolutions adopted by the Board of Directors are evidenced by minutes signed by the Chairman and the Secretary.

## **Article 18**

### **Validity of Board resolutions**

Resolutions of the Board of Directors are valid if the majority of appointed directors is present and they are adopted by a majority of such directors.

### **Article 19**

#### **Powers of the Board of Directors**

**19.1** The Board of Directors exercises the widest powers of ordinary and extraordinary administration, without any exceptions, and has the right to perform all deeds deemed appropriate for the pursuit and achievement of the company's objects, with the sole exclusion of those reserved by law for the shareholders' meeting.

**19.2** Pursuant to art. 150 of Decree 58 dated 24 February 1998, the directors report to the Board of Statutory Auditors, at least every quarter, on the work performed and on the principal economic, financial and equity transactions carried out by the company and its subsidiaries, as well as on the transactions in which they have an interest, whether personally or on behalf of third parties, or which were influenced by the party which directs and coordinates the activities of the company. Such information may be communicated verbally by the directors to the Board of Statutory Auditors, during special meetings with the directors or at the meetings of the Board of Directors or the Board of Statutory Auditors envisaged by art. 2404 of the Italian Civil Code, or by the submission of written reports which will be noted in the minute book of the Board of Statutory Auditors envisaged by art. 2421.5 of the Italian Civil Code.

**19.3** To the extent allowed by law and these articles of association, the Board of Directors may delegate its authority to individual directors and/or to an executive committee, determining the extent of such powers. The Board may also appoint general managers, managers and special representatives, who need not be directors, for the performance of certain deeds or categories of deed.

**19.4** In addition, the Board of Directors may appoint its members to a Compensation Committee, an Internal Audit Committee and an Appointments Committee, determining the number of members for each committee, the length of their mandate, their tasks, their powers and the regulations that govern the business conducted by them.

**19.5** These empowered bodies must report directly to the Board of Directors at least every quarter at the time of Board Meetings or even indirectly, if preferred having regard for the need for timeliness, in written or verbal form, on the general results of operations, forecast developments and transactions carried out by the company or its subsidiaries that were significant in view of their nature or size.

**19.6** The following resolutions must be adopted by the Board of Directors pursuant to art. 2436 of the Italian Civil Code:

- a) mergers or spin-off pursuant to arts. 2505, 2505-bis and 2506-ter of the Italian Civil Code;
  - b) opening or closure of secondary offices;
  - c) transfer of the registered offices elsewhere in Italy;
  - d) indication of which directors are the company's legal representatives;
  - e) reduction of capital following withdrawal by a shareholder;
  - f) alignment of the articles of association to reflect compulsory regulatory requirements,
- without prejudice to the fact that such resolutions can, in any case, also be adopted at an extraordinary shareholders' meeting.

### **Article 20**

#### **Representation of the company**

**20.1** The Chairman of the Board of Directors represents the company in dealings with third parties and in judgment; if absent or unavailable, he is replaced by the Deputy Chairman, if appointed.

**20.2** The directors, general managers, managers and special representatives referred to in art. 19 above also represent the company, to the extent of the powers granted to them pursuant to art. 19.

### **Article 21**

#### **Remuneration of the Board of Directors**

The directors are entitled to reimbursement of the expenses incurred in the performance of their duties. The shareholders' meeting may resolve to remunerate the directors and allocate a share of profits to them. The remuneration of directors with special duties is determined by the Board of Directors, on a proposal from the Compensation Committee, if appointed, and after hearing the opinion of the Board of Statutory Auditors.

## CONTROL BODIES

### Article 22

#### Composition and appointment of the Board of Statutory Auditors

**22.1** The Board of Statutory Auditors comprises 3 (three) serving auditors, of which at least two must be a member of the least represented gender; the Shareholders' Meeting shall also appoint two alternate auditors, one from each gender. The appointments are made on the basis of lists presented by the shareholders containing a number of candidates not exceeding the maximum number of members to be elected, following the process specified below.

**22.2** Shareholders have the right to present lists if, alone or together with other shareholders, they represent at least 2.5% (two point five percent) of the shares with voting rights at ordinary meetings, or such different percentage of the company's share capital as is established by current and applicable laws and/or regulations.

Each shareholder (as well as (i) shareholders belonging to the same group, comprising the controlling party, not necessarily a company, as defined in art. 2359 of the Italian Civil Code, and all companies controlled by or under the joint control of that party, or (ii) the members of the same shareholders' syndicate pursuant to art. 122 of Decree 58 dated 24 February 1998, or (iii) the shareholders who are otherwise joined in relationships deemed relevant under current and applicable laws and/or regulations) may present or contribute together with other shareholders to the presentation, directly or via intermediaries or trust companies, of just one list of candidates; all lists presented by shareholders presenting multiple lists will be void.

**22.3** Each list must comprise two sections: one for the appointment of serving auditors, and the other for the appointment of alternate auditors, listed in consecutive numerical order. The candidates of each section must be listed by progressive number. Each candidate can appear on just one list, or will be ineligible for election.

The lists which, considering both sections, contain a number of candidates equal to or greater than three, must ensure respect for the balance between genders, so that the share of candidates envisaged by the current pro-tempore legislation belongs to the least represented gender..

Lists of candidates that do not comply with the requirements envisaged in this paragraph shall be treated as if not presented. .

**22.4** The lists, signed by the shareholders presenting them, or by the shareholder appointed to present them, and accompanied by the documentation required by these articles of association must be filed, via electronic documents bearing digital signatures applied in accordance with the applicable regulations, or otherwise, at the registered offices no later than twenty-five (25) calendar days prior to the date fixed for the Shareholders' Meeting in first (or only) calling and published on the Company's website at least 21 (twenty-one) calendar days prior to the date fixed for the Meeting in first (or only) calling, or any different minimum time envisaged by current legislation or regulations.

In order to demonstrate ownership of the number of shares necessary for the presentation of a list, each nominating shareholder must file at the registered offices, together with the list and not later than 21 (twenty-one) calendar days prior to the date fixed for the Meeting in first (or only) calling, copies of the documents confirming such ownership.

The following information must also be filed, together with each list, by the deadline indicated above: (i) declarations from each candidate accepting their nomination and confirming, under their personal responsibility, the absence of reasons for which they would be ineligible or for which their appointment would lapse by law, and that they satisfy the honourability and professionalism requirements established by law and applicable to such appointments; (ii) complete information on their personal and professional

characteristics (curriculum vitae); (iii) the list of appointments as director or auditor held by candidate statutory auditors in other companies or bodies, if relevant under current regulations to the limit on the total number of appointments allowed by these articles of association or by the current and applicable laws and/or regulations; (iv) the list of shareholders presenting the list, specifying their personal or company name, address, company registration number or similar and the total percentage of share capital held by them. Lists not presented in compliance with the requirements of this article will be treated as if they had not been presented. If, on expiry of the above-mentioned term, only one list has been filed or only lists presented by related shareholders, the relevant legal and regulatory requirements will apply. .

**22.5** Candidates must satisfy the eligibility, honourability and professionalism requirements established by law and must not have accepted more appointments than the number specified in art. 23 below.

**22.6** Each shareholder with the right to vote (as well as (i) shareholders belonging to the same group, comprising the controlling party, not necessarily a company, as defined in art. 2359 of the Italian Civil Code, and all companies controlled by or under the joint control of that party, or (ii) the members of the same shareholders' syndicate pursuant to art. 122 of Decree 58 dated 24 February 1998, or (iii) the shareholders who are otherwise joined in relationships deemed relevant under current and applicable laws and/or regulations) may vote for just one list. Voting is transparent and not secret.

**22.7** If no lists are presented, the Meeting appoints the Board of Statutory Auditors and its Chairman in accordance with the majorities established by current legislation. If only one list is presented, the Board of Statutory Auditors is drawn entirely from that list and the first candidate on the list is appointed as Chairman.

If, on the other hand, two or more lists are presented, the Board of Statutory Auditors is appointed in the following manner:

a) the following candidates will be appointed, in the numerical order in which they appear, from the list that obtains the majority of the votes cast by the shareholders: (i) the first two candidates for the office of serving auditor and (ii) the first candidate for the office of alternate auditor;

b) the following candidates will be appointed, in the numerical order in which they appear, from the list that obtains the second-largest number of votes, on condition that such list is not linked, directly or indirectly, with the shareholders who presented or voted for the list that obtained the largest number of votes: (i) the first candidate for the office of serving auditor, who will also be appointed as Chairman of the Board of Statutory Auditors, and (ii) the first candidate for the office of alternate auditor, if available; otherwise, the alternate auditor will be the first candidate for this office on the first list obtaining the next-largest number of votes that is not linked, directly or indirectly, with the shareholders who presented or voted for the list that obtained the largest number of votes.

c) in the event of a voting tie between two or more lists, the candidates on the list presented by shareholders with the greatest total equity interest or, failing this, by the largest number of shareholders, will be elected.

If the composition of the Board of Statutory Auditors or the category of alternate auditors does not comply with the gender balance criterion then, having regard for the order of listing in the respective sections, the candidates from the most represented gender elected last from the Majority List shall be replaced by the first candidates not elected from the same list and the same section from the least represented gender. Application of this replacement procedure will continue until the composition of the Board of Statutory Auditors complies with the regulations in force at the time concerning gender balance. .

**22.8** If, during the year, one or more serving auditors drawn from the list that obtained the largest number of votes (the "Majority Statutory Auditors") cease to serve for any reason, they will be replaced - where possible and always in compliance with the regulations in force concerning gender balance - by the alternate auditor belonging to the same list as the former statutory auditor or, otherwise, by the other alternate auditor. If it is not possible to proceed on the basis described above, a Shareholders' Meeting must be called, pursuant to art. 2401.3 of the Italian Civil Code, to complete the Board in the usual manner with the normal majorities, without recourse to the system of list voting described in this article 22.

**22.9** If, during the year, the serving auditor drawn from the list obtaining the second-largest number of votes (the "Minority Statutory Auditor") ceases to serve for any reason he will be replaced, always in

compliance with the regulations in force concerning gender balance, by the alternate auditor belonging to the same list as the former statutory auditor, who will be appointed as Chairman of the Board of Statutory Auditors and whose mandate will expire at the same time as those of the other statutory auditors who were serving when he joined the Board. If it is not possible to proceed on the basis described above, the mandate of the entire Board of Statutory Auditors is deemed to have lapsed immediately and, consequently, a shareholders' meeting must be called to appoint a new Board of Statutory Auditors in accordance with the system of list voting described in this article 22..

**22.10** If, pursuant to art. 2401.1 of the Italian Civil Code, the Shareholders' meeting must appoint new alternate auditors to the Board of Statutory Auditors, the resolution must be adopted in the usual manner with the normal majorities, always in compliance with the regulations in force concerning gender balance, without recourse to the system of list voting described in this article 22..

### Article 23

#### Duties of the Board of Statutory Auditors and conduct of business

**23.1** The Board of Statutory Auditors monitors compliance with the law and the articles of association, and respect for the principles of proper administration including, in particular, the adequacy of the organisation, administrative and accounting systems adopted by the company and the way they function in practice, as well as how the corporate governance rules envisaged by the related regulations are applied in practical terms.

**23.2** Statutory auditors cannot be elected, and their mandates lapse if already elected, if they do not satisfy the requirements of eligibility, honourability and professionalism established by law, or if they hold a number of appointments as directors or auditors that exceeds the maximum allowed by current and applicable laws and/or regulations.

**23.3** Statutory Auditors remain in office for three years and may be re-elected. Their appointments expire on the date of the Meeting called to approve the financial statements for the final year of their mandate, without prejudice to the termination and lapsing clauses envisaged by law and these articles of association. The remuneration due to the Statutory Auditors is established at the Shareholders' Meeting in accordance with current legislation.

**23.4** For the purposes envisaged by art. 1.2, letters b) and c), of Decree 162 dated 30 March 2003, the subjects and sectors of activity strictly relevant to the business carried on by the company are those subjects and sectors of activity connected with and relating to the company's activities defined in art. 4 of these articles of association.

**23.5** The Board of Statutory Auditors meets at least every ninety days at the request of any auditor. The Board is quorate if the majority of statutory auditors are present and resolves with the votes in favour of an absolute majority of the auditors present.

The meetings of the Board of Statutory Auditors can be held in multiple locations, either adjoining or distant, that are linked by audio or audio/video communications, on condition that the collegiate method and the principles of good faith and equal treatment for all members are respected. In this case, it is necessary that:

- a) the chairman of the meeting is able to determine unmistakably the identity and legitimacy of those attending and govern the conduct of the meeting;
- b) the person responsible for taking the minutes is able to follow adequately the meeting events to be minuted;
- c) those attending are able to exchange documentation and in any case take part in real time in the discussions and in simultaneous voting on the matters on the agenda.

The meeting is deemed to be held in the location where both the Chairman and the person responsible for taking the minutes are present.

### Article 24

#### Legal Audit of the Accounts

The legal audit of the accounts is performed by an auditing firm that meets the relevant legal requirements. The conferral and revocation of the related appointment, and the duties, powers and responsibilities of the auditing firm, are governed by the current and applicable laws and/or regulations..

### **Article 25**

#### **Manager responsible for preparing the company's accounting documentation**

**25.1** The Board of Directors, having heard the required but not binding opinion of the Board of Statutory Auditors, appoints a manager responsible for preparing the company's accounting documentation (hereinafter, for short, the "Responsible Manager") and fixes his remuneration.

**25.2** Persons who do not satisfy the following professionalism requirements cannot be appointed as Responsible Manager and, if already appointed, their mandates lapse:

- a) degree in economics, finance or business management and systems;
- b) at least three years' experience in total of:

- administration and control activities or senior management responsibilities within a limited liability company, or

- administrative or management functions or appointments as auditor or consultant, such as registered accountant, for entities operating in the banking, financial and insurance sectors, or in any case sectors that are closely connected with and related to the activities of the company, that involved the management of economic - financial resources.

In addition, persons who do not satisfy the honourability requirements established in art. 147-*quinquies* of Decree 58 dated 24 February 1998 cannot be appointed as Responsible Manager and, if already appointed, their mandates lapse.

The Board of Directors grants the Responsible Manager adequate powers and resources to accomplish the tasks attributed to him in accordance with art. 154-*bis* of Decree 58 dated 24 February 1998.

**25.3** If the Responsible Manager ceases to serve, the Board of Directors will arrange without delay to replace him by appointing a new Responsible Manager, having heard the required but not binding opinion of the Board of Statutory Auditors. Termination of the employment relationship between the Responsible Manager and the company is a reason for ceasing to serve.

**25.4** The Responsible Manager exercises the powers and performs the tasks attributed to him in accordance with the provisions of art. 154-*bis* of Decree 58 dated 24 February 1998, and the related enabling regulations.

**25.5** The Responsible Manager attends the meetings of the Board of Directors that envisage the discussion of matters relevant to his activities.

### **FINANCIAL STATEMENTS AND NET INCOME**

### **Article 26**

#### **Financial year**

**26.1** The financial year ends on 31 December of each calendar year.

**26.2** At the end of each financial year, the administrative body prepares the financial statements in accordance with legal requirements.

### **Article 27**

#### **Allocation of net income**

**27.1** After allocating 5% to the legal reserve until this reaches one fifth of share capital, the residual net income reported in the financial statements is allocated to the shares unless decided otherwise at the shareholders' meeting.

**27.2** The Board of Directors may resolve to distribute interim dividends in the circumstances and on the basis established in art. 2433-bis of the Italian Civil Code.

**27.3** The payment of dividends takes place from the date and from the treasury offices established each year by the Board of Directors.

**27.4** Dividends revert back to the company if they are not collected within five years of the date on

which they first became payable.

## **WINDING-UP AND LIQUIDATION**

### **Article 28**

#### **Winding-up**

Should the company be wound up at any time and for any reason, the extraordinary shareholders' meeting will establish the basis for the liquidation, appoint one or more liquidators and determine their powers.

Courtesy translation.

In case of discrepancy with the Italian version, the latter will prevail.