



# **Corporate by-Laws**

**Changes approved on April 28, 2020**

## **TITLE I**

### **NAME – PURPOSE – REGISTERED OFFICE – DURATION**

#### **Article 1 - Name**

[1] A joint stock company has been formed and its name is:

**“MARR S.p.A.”.**

#### **Article 2 - Object of the Company**

[1] The object of the Company is to carry on, either directly or indirectly through shareholdings in companies of any type, entities or enterprises:

- wholesale and retail trade of food products in general, none excluded, fresh, refrigerated, frozen, deep-frozen, precooked and preserved;
- distribution of products and services for catering, the hotel business and the hospitality industry in general, and supplies of furniture, household appliances, electrical material and hardware, cutlery, kitchenware, glassware, silverware, ceramics, linens and clothing for communities, hotels and foodservice businesses in general;
- purchases/sales, import and export of fish and livestock in general, and also processing, preservation and preparation of meats and meat products, fish and by-products, fresh, refrigerated, frozen, deep-frozen, pre-cooked and in any case preserved;
- trade of non-alcoholic and alcoholic beverages, high-proof spirits, and sugars in general;
- contracts for maintenance of prisons, prison transports, civil and industrial cleaning and associated activities;
- any other business subject to it being incidental, ancillary or complementary to the aforementioned activities.

[2] Another purpose of the Company is the carrying out of technical, managerial and financial coordination of the associated companies and the provision of assistance services in general to them.

[3] The Company can carry out all operations that prove to be necessary or useful for attaining the company's goals; by way of example, it may initiate immovable, movable, commercial, industrial and financial operations, as well as any action that is however associated with the company's purpose, except for attracting savings from the public and exercising lending pursuant to Italian Law Decree 385/1993 or its supplements and modifications.

[4] In any case the Company is expressly forbidden to professionally run investment services for the public pursuant to Italian Law Decree 58/1998 and subsequent modifications and supplements, and any other activity reserved by the laws in force for those registered in the professional rolls or however subjected by law to special authorisations or qualifications.

[5] Finally, the Company may undertake shareholdings and profit sharing in other companies or enterprises, both Italian and foreign, that have a purpose similar, like or complementary to its own, or to that of the companies it is associated with, or also having a different purpose provided that the said shareholdings or profit sharing do not alter the substance of the Company's goals, and it may give collateral securities and/or personal guarantees for bonds, both its own and those of third parties and, in particular, guarantees.

### **Article 3 - Registered Office**

[1] The registered office of the Company is in the Municipality of Rimini. The registered office of the Company may be transferred to any other address of the

same municipality by a simple decision of the administrative body, which is qualified for the consequent declarations at the Office of the Trade Register.

[2] Sub-offices, subsidiaries, branches, agencies, representation offices and administrative offices may be established or closed down in Italy and abroad.

#### **Article 4 –Domicile of the shareholders**

[1] As far as the relationship between the Company and the shareholders is concerned, in every respect of law and these corporate by-laws, the domicile of each shareholder shall be the one written in the stock ledger.

#### **Article 5 - Duration**

[1] The duration of the Company is fixed at 31 December 2050 (two thousand fifty) and may be extended with the formalities provided by the law.

### **TITLE II**

#### **SHARE CAPITAL – SHARES -**

#### **FINANCIAL INSTRUMENTS – BONDS**

#### **Article 6 - Share Capital**

[1] The share capital is Euro 33,262,560.00 (thirty-three million two hundred sixty-two thousand five hundred sixty) divided into 66,525,120 (sixty-six million five hundred twenty-five thousand one hundred twenty) shares having a nominal value of Euro 0.50 (fifty cents) each.

[2] The share capital may be increased, even by giving loans or assets in kind, at any time by a resolution of an extraordinary shareholders' meeting or of the board of directors explicitly delegated for this in the terms and within the bounds of the law, including the issue of shares having rights different to those of the shares already issued.

[3] Without prejudice to what is set forth in the foregoing sections, in the case the share capital is increased all shareholders shall be entitled to the option on the new shares being issued in proportion to the shares they own at the time of the approved increase, subject to exceptions allowed by the law.

[4] The right of options may also be excepted within the limits of ten per cent of the pre-existing share capital, provided that the issue price corresponds to the market value of the shares and that this is confirmed in a relevant report issued by the Company charged with the audit, according to article 2,441, section 4, par. 2, of the Civil Code.

[5] The extraordinary shareholders' meeting of 2 September 2003 resolved to increase the share capital pursuant to article 2,441, section 8, of the Civil Code by an additional maximum nominal value of Euro 665,655.00 (six hundred sixty-five thousand six hundred fifty-five) through the issue, even in several quotas, of the maximum number of 1,331,310 (one million three hundred thirty-one thousand three hundred ten) new ordinary shares of the nominal value of Euro 0.50 (fifty cents) each, regular dividend-bearing, to be set aside for the exercise of subscription options that shall be assigned to some employees of the Company or of Companies it controls, in compliance with what is provided for in the shareholders' meeting resolution and the rules of the stock option plan.

## **Article 7 – Shares and their circulation, financial instruments and bonds**

[1] The shares are freely transferable.

[2] The shares are registered. If entirely paid-up, they may also be bearer shares, if the shareholder chooses, provided this is not prohibited by law.

[3] Every share is indivisible and entitles the holder to one vote, that provided by the following paragraphs holding firm.

[4] In derogation of that provided in the preceding point, each share has double voting rights (and thus two votes for each share) if both of the following conditions have been satisfied: (a) the share has been owned by the same subject on the basis of a real right legitimising the exercise of voting rights (full ownership with voting rights or bare ownership with voting rights or usufruct with voting rights) for a continuous period of at least twenty-four months; (b) the occurrence of the presupposition in point (a) is attested by continuous registration, for a period of at least twenty-four months, in the special list set-up for the purpose and governed by this article (the “Special List”), and also by a communication to this effect attesting the ownership of the shares in question referring to the starting date of the continuous period released by the intermediary with whom the shares are deposited pursuant to the laws in force.

[5] The acquisition of voting rights is effective on the earlier of: (i) the fifth trading day of the calendar month subsequent to that in which the conditions required by the Company By-Laws for the increase in voting rights occur or (ii) the so-called record date of an eventual Shareholders’ Meeting, determined according to the laws in force, subsequent to the date on which the conditions required by the Company By-Laws for the increase in voting rights occur.

[6] The Company will set-up and keep at its registered office, in the forms and with the contents provided by the applicable law, the Special List, which must include the subjects intending to benefit from the increased voting rights.

[7] In order to be included in the Special List, subjects legitimised to be so pursuant to this article must submit a request to this effect, attaching a communication attesting ownership of shares – which may regard only a part of

the shares owned by the proprietor – issued by the intermediary with whom the shares are deposited pursuant to the laws in force. The increase in voting rights may also be requested only for part of the shares owned by the proprietor. In the case of subjects other than individual persons, the request must specify whether they are subject to direct or indirect control by third parties and the details of the eventual parent company.

[8] The dispositions concerning the shareholders' register and any other disposition on the matter are applicable to the Special List of which in this article as compatible, also as regards making information public and the shareholders' right of inspection.

[9] The Special List is updated by the Company no later than the fifth trading day after the end of each calendar month, and in any event no later than the so-called record date provided by the laws in force on the right to intervene and vote in shareholders' meetings.

[10] The Company may cancel names from the Special List in the following cases:

- a) waiver by the interested party;
- b) communication by the interested party or intermediary proving that the presuppositions for the increased voting rights are no longer in place or loss of the ownership of real legitimising right and/or the relative voting rights;
- c) officially, if the Company becomes aware of the occurrence of events that imply the loss of the presuppositions for increased voting rights or the loss of ownership of the real legitimising right and/or the relevant voting rights.

[11] The increase in voting rights is defaulted:

- a) in the event of transfer at cost or free of charge of the share, it remaining agreed that "transfer" be intended as including pledging, usufruct or other

limitation on the share when this implies that the shareholder loses the voting rights;

b) in the event of direct or indirect transfer of majority holdings in companies or entities owning shares with increased voting rights in excess of the threshold provided by article 120, paragraph 2 of Legislative Decree no. 58 of 24 February 1998.

[12] The increase in voting rights:

a) is maintained in the event of constitution of pledging or usufruct on the shares by the subject registered in the special list (to the extent that the voting rights remain attributed to the subject constituting the pledge or granting usufruct);

b) is maintained in the event of succession due to death in favour of the heir and/or legatee;

c) is maintained in the event of merger or split-off of the owner of the shares in favour of the company formed by the merger or beneficiary of the split-off;

d) is extended proportionately to the newly issued shares in the event of an increase in capital pursuant to art. 2442 of the Civil Code and increase in capital through new conferment made in exercising the right of option;

e) may also be due on the shares assigned in exchange for those attributed increased voting rights, in the event of merger or split-off of the Company, if this is provided for in the relevant plan;

f) is maintained in the event of transfer from one portfolio to another of the OICR managed by one and the same subject;

g) is maintained in the event of transfer free of charge to an entity such as, for example, a trust, an equity fund or a foundation, that the transferring party or their heirs are the beneficiaries of;

h) if the holding is traceable to a trust, is maintained in the event of the trustee changing.

[13] In the cases in points (d) and (e) in the preceding paragraph, the new shares acquire the increase in voting rights (i) for the newly issued shares due to the owner in exchange for shares for which the increased voting rights have already accrued, from the time of registration in the Special List, without the need for an additional continuous period of ownership, and (ii) for the newly issued shares due to the owner in exchange for shares for which the increase in voting rights has not yet accrued (but is accruing), from the time when the period of ownership has passed, calculated from the date of original registration in the Special List.

[14] Those who are due the increased voting rights are always recognised the right to irrevocably waive (fully or partly) at any time the increase in voting rights, by written notification to be addressed to the Company, its holding firm that the increase in voting rights can be acquired again for the shares for which it was waived, registering them again in the Special List and after the period of continuous ownership of not less than 24 months has elapsed again.

[15] The increase in voting rights is taken into consideration also in determining the constitutive and deliberating quorums referring to portions of the share capital, but have no effect on the rights due on the basis of ownership of determined portions of the share capital, other than voting rights.

[16] For the purpose of this article, the notion of control is that envisaged by the laws and regulations governing listed issuers.

[17] The Company only recognises one owner per share.

[18] The shares cannot be represented by securities and are issued and circulate under conditions of dematerialisation.

[19] In addition to the ordinary shares, the Company may issue categories of shares having different rights in observance of the requisites of the law, including shares with limited voting rights or savings shares.

[20] The shareholders' meeting may resolve the extraordinary appropriation of profits to employees of the Company or of subsidiary companies through the issue of special categories of shares for the corresponding amount, to be personally allotted to the employees with special provisions regarding the form, methods of transfer and rights due to the shareholders. The share capital must be increased in the corresponding measure.

[21] By decision of the Board of Directors, the Company may issue bonds in respect of the requisites of the law. By decision of the extraordinary shareholders' meeting, the Company may also issue convertible bonds with warrants or other financial instruments in respect of the requisites of the law.

## **TITLE III**

### **SHAREHOLDERS' MEETING**

#### **Article 8 - Competences**

[1] The shareholders meeting is ordinary or extraordinary according to the law. It is called by the Board of Directors and may be held outside the registered office provided that the location is in Italy.

[2] The Shareholders' meeting shall be convened in accordance with the law. The notice convening the meeting, containing the day, time and place of the

meeting, the agenda and other information required by the laws and regulations in force, must be published according to the law on the website of the Company and in the other methods provided by the applicable laws.

[3] The notice convening the shareholders' meeting may also contain the date of any convocation that follows the first one.

[4] To approve the financial statements, the shareholders' meeting is called within 120 (one hundred and twenty) days from the date the company's financial year ends, or within 180 (one hundred and eighty) days if resorting to the conditions of the law.

[5] The ordinary shareholders' meeting is called, in cases other than provided for by law, within the term established by it.

[6] The extraordinary shareholders' meeting is called every time the board of directors deems it appropriate or when required by law.

### **Article 9 - Attendance**

[1] Legitimacy to attend the shareholders' meeting and exercise the right to vote is attested in a notification to the Company, made through an intermediary, in compliance with the accounting documents in favour of those who have the right to vote.

The notification is made by the intermediary on the basis of the evidence relative to the end of the accounting day of the seventh day of market trading prior to the date of the shareholders' meeting. Registrations in credit and debit performed on the accounts subsequently to this deadline are not relevant as regards legitimacy to exercise the right to vote in the shareholders' meeting.

The notification must be received by the Company within the terms provided by the applicable laws. Legitimacy to attend and vote holds firm if the

notification is received by the Company after said terms as long as it is received before the start of the shareholders' meeting.

### **Article 10 - Representation**

[1] Those with the right to vote may be represented in the shareholders' meeting according to the law. Proxies may be conferred in electronic format in compliance with the applicable regulations.

[2] The electronic notification of proxies may be done by electronic mail, according to the methods indicated in the notice convening the shareholders' meeting.

### **Article 11 – Chairmanship and course**

[1] The shareholders' meeting is chaired by the Chairman of the Board of Directors or, if he is absent or hindered, by the Deputy Chairman, if appointed, or in a subordinate position by the person the shareholders' meeting elects. The Chairman is assisted by a Secretary, not necessarily a shareholder, or a Notary, and, when deemed necessary, by two scrutineers he appoints.

[2] It is incumbent on the Chairman to verify, through his appointees, the right for people to attend, even by proxy, ascertain that the shareholders' meeting is duly formed, verify the identity and legitimacy of those attending, conduct and control the discuss and establish the voting methods and check its result.

[3] The resolutions of the shareholders' meetings, approved in compliance with the provisions of law and these corporate by-laws, bind all shareholders, even those who do not attend or are in disagreement.

## **Article 12 – Constitution and resolution**

[1] The resolutions of the ordinary and extraordinary shareholders' meetings, whether they are first call or subsequent calls, are valid if adopted with the attendances and majorities established by the law.

[2] The resolutions of the shareholders' meeting are to appear in the minutes drawn up according to the law, signed by the Chairman, Secretary and, if appointed, the scrutineers. In the cases provided for by the law and in any case when the Chairman deems it opportune, the minutes are drawn up by the Notary, who is chosen by the Chairman, in which case the appointment of the Secretary is not required.

## **TITLE IV**

### **ADMINISTRATION – SIGNATURE AND COMPANY**

#### **REPRESENTATION**

## **Article 13 Board of Directors**

[1] The Company is administered by a Board of Directors made up of 5 (five) to 11 (eleven) members, even non-shareholders; it is incumbent on the shareholders' meeting to determine its number.

The composition of the Board of Directors must ensure that there is gender equality in respect of the applicable legal and regulatory dispositions in force at the time.

[2] The directors may be appointed for no more than three financial periods, their term expiring on the date of the shareholders' meeting called to approve the financial statements regarding the last year of their office, and they may be re-elected. At least one member of the Board of Directors, or two if the Board of Directors is composed of more than seven members, must be in possession

of the requisites of independence laid down for the auditors by the legal dispositions in force of which in Legislative Decree 58/1998.

The loss of the requisites of independence of which above by one director does not constitute a reason for withdrawal from office of director, should the minimum number of members in possession of the legal requisites of independence as provided by the laws in force remain in office.

[3] The shareholders' meeting proceeds to appoint the members of the Board of Directors on the basis of lists of candidates.

When there are several lists, one of the members of the Board of Directors is appointed from the list that obtained the second-largest number of votes.

The right to present lists is held only by those shareholders who, alone or together with others, hold a number of shares with voting rights sufficient to represent at least 2.5% (two point five percent) of the capital stock, or whatever other shareholding percentage may be established or referred to by compulsory provisions of law or regulations.

Each shareholder, and also shareholders linked by control or connection ties for the effects and purposes of the Civil Code, cannot present or vote even through proxies or fiduciary companies for more than one list. Each candidate must be present in only one list, under penalty of ineligibility.

The lists indicate the candidates who are in possession of the requisites of independence foreseen by the law and regulations in force. The candidates included in the lists must be listed in progressive order and possess the reputability requisites foreseen by the law.

The candidate indicated as number one in progressive order must also possess the independence requisites foreseen by the law and the regulatory dispositions in force.

The lists which contain three or more candidates must also include candidates of different genders in order to guarantee that the composition of the Board of Directors respects that provided by the laws in force concerning gender equality.

The lists presented must be filed at the company's registered office at least twenty-five days before the date set for the shareholders' meeting at first call, and this requirement will be mentioned in the notice summoning the meeting.

The lists are made available to the public at the Company's registered office and website and in the other methods foreseen by the applicable regulatory dispositions at least twenty-one days before the date of the shareholders' meeting.

To legitimate the lists presented, the Company must receive, within the deadline in the preceding paragraph, a suitable notification made by authorised intermediaries proving the ownership of the shareholding, which is determined with regard to the shares that have been registered in favour of the shareholders on the day on which the lists are deposited at the Company. The notification may also be received subsequently, as long as within the deadline foreseen for the publication of the lists by the Company.

Together with each list, it is also necessary to file the declarations in which the individual candidates accept their candidacy and attest, under their own responsibility, that they possess the necessary requisites. Candidates for whom the above rules have not been complied with are not electable.

For the election of the members of the Board of Directors, the procedure is as follows:

- (i) all the directors to be elected, except one, are appointed from the list that obtained the largest number of votes, on the basis of the progressive order in which they are indicated in the list;
- (ii) one director is elected, in compliance with the provisions of law, from the list that obtained the second-largest number of votes on the basis of the progressive order in which candidates are indicated in that list, which must not be connected in any way, even indirectly, with the shareholders who presented or voted for the list that obtained the largest number of votes.

Without prejudice to the above, if several lists obtain the same number of votes the majority list, for all effects and purposes, is the one voted for by the greater number of shareholders, and if this number too is equal, the list filed first.

The same rules apply in the event that several minority lists have obtain the same number of votes.

For the purposes of appointing directors, lists that obtained a percentage of votes at the general meeting that is lower than half that required in these articles of association for presenting a list shall not be taken into account.

If only one list is presented, or if the minority lists presented did not obtain a percentage of votes at least equal to that required in the preceding paragraph, the members of the Board of Directors are appointed from the one and only valid list.

Should the laws in force concerning gender equality not have been requested after the above voting and operations, the candidate of the most represented gender elected last in progressive order from the list obtaining the highest

number of votes shall be replaced by the first candidate of the less represented gender not elected from the same list according to the progressive order.

Lastly, should said procedure not ensure the respect of the laws in force on gender equality, the replacement shall be made by majority resolution of the shareholders' meeting, after the presentation of candidatures from individuals of the less represented gender.

Should the candidates elected by the above methods not ensure the appointment of the minimum number of directors in possession of the requisites of independence foreseen by the applicable laws in relation to the overall number of directors, the non independent candidate elected last in progressive order from the list obtaining the highest number of votes shall be replaced by the first candidate – in possession of the legal requisites of independence – according to the progressive order not elected from the same list, or otherwise, by the first independent candidate according to the progressive order not elected from the other lists, taking into account the number of votes obtained by each list, as long as in respect of the laws in force concerning gender equality.

Should said procedure not ensure that the Board of Directors does not include the minimum number of directors in possession of the legal requisites of independence foreseen by the law, replacement shall be made by resolution of the shareholders' meeting with the legal majorities, after presentation of candidatures in possession of said requisites, always in respect of the laws in force concerning gender equality.

If no list has been presented within the deadline foreseen in this article or no list has been found to be admissible, the shareholders' meeting shall proceed,

at the Chairman's invitation, to appoint the directors by resolution passed by the majority of voters, in any case safeguarding the appointment of the minimum number of directors in possession of the legal requisites of independence required by the laws in force at the time and in respect of the laws in force concerning gender equality.

#### **Article 14 – Annulment and replacement of the directors**

[1] If the office of one or more directors falls vacant during a financial year the measures foreseen in art. 2386 of the Civil Code shall be taken, in the manner indicated here below:

(i) The Board of Directors selects replacements from amongst persons indicated in the same list as the directors to be replaced, and the General Meeting resolves on their appointment, with the majorities foreseen by law, following the same principle.

(ii) if no candidates not previously elected are left in the said list, the Board of Directors shall proceed to nominate replacements without applying the provisions of point (i), as shall the General Meeting, again with the majorities foreseen by law.

In any case, the replacement of directors stepping down from office is done by the Board of Directors ensuring the respect of the laws in force concerning gender equality.

[2] However, if there is no longer a majority of directors appointed by the shareholders' meeting due to resignations or any other reason, the entire Board of Directors is understood to be discontinued and the shareholders' meeting is urgently called by the directors still in office to appoint a new board; in the meantime, the directors may carry on the acts of ordinary administration.

## **Article 15 – Chairman and Deputy Chairman**

[1] If the shareholders' meeting has not already done so, the Board of Directors elects the Chairman from amongst its members. The board may also elect a Deputy Chairman who replaces him if he is absent or hindered.

[2] The board may appoint a Secretary, choosing one who is not necessarily a board member.

[3] The Chairman presides over the board meetings. If he is absent and/or hindered, the chairmanship is taken over by the Deputy Chairman, if elected, or failing that, by the Managing Director.

[4] The Secretary can be chosen each time, even from among people who are not board members.

## **Article 16 – Board of Directors Meetings**

[1] The Board of Directors meets at the company's registered office or elsewhere, provided the location is in the European Union, every time the Chairman considers it necessary or when a written request by at least 2 (two) of its members or by at least 2 (two) of the Statutory Auditors is made.

[2] The Chairman calls the meeting with a notice to be sent to each director and regular auditor at least five days before the meeting; in the case of urgency, it may be sent at least two days before. The notice can be in any written form (paper or electronic) and can be sent with any communication system (including fax and electronic mail) that ensures proof of receipt. If the Chairman is absent or hindered, the notice convening the meeting is made by the Deputy Chairman according to what is provided in article 15 above.

[3] The meetings can also be held by teleconferencing / videoconferencing or audioconferencing provided that each of the participants can be identified by

all the others and that each of the participants is able to follow the discussion and speak in real time as the items being examined are discussed. The meeting is considered held in the place where the Chairman and the Secretary are located.

#### **Article 17 – Validity and entering into the minutes of the board resolutions**

- [1] The attendance of the majority of its members is required in order for the resolutions passed by the Board of Directors to be valid.
- [2] The resolutions are adopted by a majority of votes of those present.
- [3] In the case of a deadlock, the person presiding over the meeting shall have the casting vote.
- [4] The resolutions of the Board of Directors shall appear in the minutes signed by the Chairman and Secretary.

#### **Article 18 – Compensation and reimbursements**

- [1] The ordinary shareholders' meeting decides on an annual compensation to be paid to the Board of Directors. Once it is fixed, the compensation shall remain unchanged until a shareholders' meeting resolves otherwise.
- [2] Specific fees for the function are also due to the directors vested with particular powers, which are to be fixed by the Board of Directors both at the time the assignment is given and afterwards, after having heard the opinion of the Board of Statutory Auditors.
- [3] The Directors are entitled to reimbursement of the expenses incurred for exercising their functions.

#### **Article 19 – Powers of the Board of Directors**

- [1] The Board of Directors is vested with full powers for the ordinary and extraordinary management of the Company, without any exceptions

whatsoever, and has the power to carry out all acts it deems advisable for the implementation and attainment of the company's goals, excluding only those that the law expressly reserves for the shareholders' meeting.

### **Article 20 - Representation**

[1] Representation of the Company, by using the Company signature, before third parties and the court is incumbent on the Chairman, Deputy Chairman and the Managing Directors within the sphere of the powers they are given.

[2] The power to appoint proxies and legal representatives in general in order to fulfil given acts or categories of acts is given to those with whom company representation rests.

[3] The signature of the Deputy Chairman before third parties suffices to make it assumed that the Chairman is absent or hindered, and it suffices to release third parties, including public offices, from any interference and responsibility regarding any limitations on the powers of representation for the acts to which the signature refers.

### **Article 21 – Powers, authorisations and information**

[1] The Board of Directors is given the following powers:

- a) the merger resolution as per articles 2,505 and 2,505-bis of the Civil Code;
- b) the institution or abolition of sub-offices;
- c) indication of who among the directors have power-of-attorney of the Company;
- d) reduction of the share capital in case a shareholder withdraws;
- e) adaptation of the corporate by-laws to prescriptive provisions;
- f) transfer of the company's registered office to another municipality of the national territory.

[2] The Board can delegate its powers to an Executive Committee or to individual Managing Directors within the limits permitted by the law.

[3] If the Executive Committee is appointed, the Board of Directors establishes its composition and powers. The Executive Committee is called and decides with the same methods envisaged for the Board of Directors, where applicable.

[4] The delegated bodies are required to report to the Board of Directors and Board of Statutory Auditors at least once every three months regarding the overall course of business and its foreseeable development, as well as the operations of greatest importance owing to their magnitudes or characteristics that the Company and its subsidiaries have carried out.

[5] Through the Managing Directors, the Board of Directors reports to the Board of Statutory Auditors on the activity carried out and on the operations of greatest economic, financial and patrimonial importance carried out by the Company and its subsidiaries, in particular reporting on the operations in which they have an interest alone or for third parties, or that are affected by any party that exercises the management and coordination activity. Communication is made by the directors at the meetings of the Board of Directors, and in any case at least on a quarterly basis. In the case special circumstances render it advisable, the communication may also be made in writing to the Chairman of the Board of Statutory Auditors.

[6] The Board of Directors, after hearing the opinion of the Board of Auditors, appoints a Manager responsible for drawing up the corporate accounts documents.

The Board shall provide the said Manager with adequate powers and means for the performance of the tasks ascribed to this role in accordance with the provisions of law and regulations.

The Manager responsible for drawing up the corporate accounts documents must possess:

- many years experience in the administrative and accountancy field;
- the reputability requisites foreseen by law for the position of administrator.

The Manager responsible for drawing up the corporate accounts documents is subject to the provisions governing the liability of administrators in relation to the tasks entrusted to them, without prejudice to action rights that can be exercised on the basis of his employment relationship with the Company.

## **TITLE V**

### **BOARD OF STATUTORY AUDITORS AND LEGAL AUDITING OF THE ACCOUNTS**

#### **Article 22 - Board of Statutory Auditors**

[1] The shareholders' meeting appoints the Board of Statutory Auditors according to the law; it is made up of three regular Auditors, in compliance with the laws and regulatory dispositions in force at the time concerning gender equality, and it appoints its Chairman. The shareholders' meeting also appoints two alternate Auditors, one of each gender, according to the law. The Auditors remain in office for three financial years, and their term expires on the date of the shareholders' meeting called for approval of the balance sheet relative to the third financial year of their offices.

[2] Save for other or further compulsory provisions of law or regulations, persons cannot be elected as Auditors if they are not in possession of the reputability and professional qualifications requisites established in the

applicable laws and regulations or if they already hold positions as Standing Auditors in another 5 (five) listed companies.

[3] Persons cannot be elected as Auditors, and fall from office if elected, if according to provisions of law or regulations they are affected by grounds for ineligibility and lapsing of office or do not possess the necessary requisites. The requisite indicated in art. 1, paragraph 2) letters b) and c) and paragraph 3 of ministerial decree No. 162 of 30th March 2000 applies if the professional experience acquired is pertinent respectively:

- (i) to the sector in which the company operates;
- (ii) to the legal, economic, financial and technical-scientific disciplines relative to the sectors referred to in point (i) above.

[4] The General Meeting establishes the fee payable to the Board of Auditors.

[5] The meetings of the Board of Auditors may also be held by teleconference/videoconference or audioconference means, provided each participant can be identified by all the others and is able to follow the discussion and intervene in real time while the matters examined are being discussed. Provided these conditions are met, the meeting is deemed to be held at the place where the Chairman and the person who draws up the minutes are located.

### **Article 23 – Appointment of the Board of Statutory Auditors**

[1] The appointment of the Auditors is made based on the lists presented, under the procedure described below, in order to ensure to the minority the appointment of a regular Auditor and an alternate Auditor, in observance of that foreseen by the legal and regulatory dispositions in force. The lists contain a number of candidates no greater than the number of the members to be

elected, listed by a progressive number. Every candidate may appear on only one list under penalty of ineligibility.

Lists containing three or more candidates must also include candidates of different genders so as to ensure, for both the category of regular Auditors and the category of alternate Auditors, a composition in respect of that foreseen by the laws in force concerning gender equality.

[2] Shareholders have the right to present lists if on their own or together with other shareholders they represent at least 2.5% (two point five percent) of shares with voting rights in the ordinary General Meeting of Shareholders, or represent whatever smaller percentage may be established or referred to by compulsory provisions of law or regulations.

Each shareholder may present only one list, either directly or indirectly through a fiduciary company or proxy. In the event of violation of this rule, the vote of the shareholder concerned will not be taken into account for any of this lists presented.

[3] The lists must be signed by the shareholders presenting them and supplemented by a) the information concerning the identity of the shareholders presenting them, stating the percentage shareholding held overall; b) a statement by the shareholders other than those who hold, even jointly, a controlling or majority holding, attesting the absence of any connecting relations, as foreseen by the regulations in force, with the latter; c) the curricula vitae of the candidates containing detailed information on their personal and professional skills; and d) any other information or documentation required by the laws and regulations in force at the time. The lists must be deposited at the registered office at least twenty-five days before the date set for the

shareholders' meeting at first call, without prejudice to any other deadline that may be established by the legal or regulatory provisions in force at the time. Within the above deadline it is also necessary to file the declarations in which the individual candidates accept their candidacy and attest, under their own responsibility, the non-existence of grounds for ineligibility and incompatibility, and their possession of the reputability, professionalism and independence requisites foreseen by law for members of the Board of auditors, and the list of any directorship and supervision positions held in other companies. The ownership of the holding held overall as stated in the preceding paragraph 2 is attested in the forms foreseen by the law also after the depositing of the lists, as long as at least twenty-one days before the date of the shareholders' meeting, or within the other deadline foreseen by the laws and regulations in force at the time.

Should, within the above deadline of twenty-five days before the date of the shareholders' meeting at first call or the other deadline foreseen by the laws or regulations in force at the time, only one list have been deposited, or only lists presented by shareholders connected to each other according to that foreseen by the legal and regulatory dispositions in force, lists may be presented until the third day before said date, any other mandatory deadline required by the applicable regulatory dispositions in force at the time holding firm. In such cases, the threshold in the preceding paragraph 2 shall be reduced by half.

[4] Everyone entitled to vote may vote for only one list.

[5] Two regular Auditors and one alternate Auditor shall be drawn from the list obtaining the highest number of votes, in the progressive order in which they are listed on the list.

[6] The third regular Auditor and the other alternate auditor are drawn from the second of the lists in order of the decreasing number of votes obtained. In the case of a draw between two or more lists obtaining the highest number of votes, the oldest candidates in terms of age shall be elected regular and alternate Auditors.

Should the above voting and operations not ensure that the composition of the auditing body, in terms of both regular Auditors and alternate Auditors, respects that provided by the laws in force concerning gender equality, taking into account the order of listing in their respective category, the last person elected from the list obtaining the highest number of votes, of the most represented gender, shall be replaced by the first candidate not elected from the same list and in the same category of the less represented gender.

Lastly, should said procedure not ensure the respect of the laws in force concerning gender equality, the replacement shall be made by majority resolution of the shareholders' meeting, after the presentation of candidatures from individuals of the less represented gender.

[7] The Chairman of the Board of Auditors is appointed by the General Meeting of Shareholders from amongst the auditors elected by the minority.

[8] In the event that only one list of candidates is presented, all the standing and deputy Auditors will be elected from that list and the chairmanship will be held by the first candidate listed.

[9] If a regular Auditor is replaced, the alternate Auditor belonging to the same list as that of the Auditor to be replaced succeeds him.

Should the shareholders' meeting need to appoint the regular and/or alternate Auditors required for the integration of the Board of Statutory Auditors, it proceeds as follows:

- (i) should the replacement of a regular and/or alternate Auditor from the list obtaining the highest number of votes be necessary, the shareholders' meeting shall decide on the basis of the majorities of the law without being bound by the lists;
- (ii) should it be necessary to appoint the Auditors from the list obtaining the second highest number of votes that is not related, even indirectly, according to that foreseen by the legal and regulatory dispositions in force, with the shareholders who presented, were involved in the presentation of or voted for the list obtaining the highest number of votes, the shareholders' meeting shall proceed on a majority basis, choosing if possible from among the candidates in the list from which the auditor to be replaced was appointed, or otherwise the candidates on any minority lists. If this is not possible, the shareholders' meeting shall do so on the basis of the majorities foreseen by the law, it holding firm that the votes of shareholders who, according to the communications made by the laws in force, hold, even indirectly or jointly with other shareholders adhering to a significant intra-company agreement pursuant to article 122 of Legislative Decree 58/98, the majority of the votes cast in shareholders' meetings shall be excluded from the ascertainment of the voting results, as shall those of the shareholders who control, are controlled by or are subject to the joint control of same.

New appointees shall step down with those already in office.

The replacement and appointment procedures of which in this paragraph 9 must in any case ensure the respect of the laws in force concerning gender equality.

#### **Article 24 – Legal Auditing of the accounts**

[1] In compliance with the laws in force, the legal auditing of the accounts is performed by a legal auditing firm registered in the appropriate Register. The shareholders' meeting which, on reasoned proposal by the Board of Statutory Auditors, assigns the duty of legally auditing of the accounts shall determine the fees due for the entire duration of the assignment and any other criteria for their adjustment during the assignment.

### **TITLE VI**

#### **FINANCIAL STATEMENTS AND NET PROFITS**

##### **Article 25 – Financial Period of the Company**

[1] The financial year ends on 31st December each year.  
[2] The Board of Directors draws up the company's financial statements according to the law at the end of every year.

##### **Article 26 – Distribution of profits and dividends**

[1] The net profits of each financial period resulting from the financial statements, subject to a 5% (five per cent) deduction to be allocated to the legal reserve until it reaches one-fifth of the share capital, shall be distributed to the shareholders, unless the shareholders' meeting decides otherwise.  
[2] The dividends are paid to the banks designated by the administration starting from the day they are declared each year.  
[3] The dividends not collected within five years from the day they become payable are prescribed in the company's favour.

[4] The Board of Directors can decide on the distribution of advance payments on the dividends within the limits and with the methods prescribed by law.

## **TITLE VII**

### **WINDING UP, WITHDRAWAL AND DEFERMENT**

#### **Article 27 - Dissolution**

[1] If the Company winds up, an extraordinary shareholders' meeting establishes the liquidation procedures and appoints, and if necessary replaces, liquidators while establishing the number, the powers and the compensation.

#### **Article 28 –Withdrawal of the shareholders**

[1] The shareholders are entitled to withdraw only if provided for by the law.

[2] The situations governed by article 2,437, section 2, of the Civil Code do not constitute cause for withdrawal.

[3] The provisions of law in force regarding the terms and methods of practice, the criteria for determining the value of the shares and the liquidation procedure are applied.

#### **Article 29 - Deferment**

[1] The relevant law applies to those areas not provided for in these corporate by-laws.