

ARTICLES OF ASSOCIATION

Next Geosolutions Europe S.p.A.



Chapter I

NAME – REGISTERED OFFICE – DOMICILE – DURATION – PURPOSE

Article 1

Company name

- 1.1 A public limited company under the name “**Next Geosolutions Europe S.p.A.**” is incorporated (the “**Company**”).

Article 2

Registered office

- 2.1 The Company’s registered office is located in the municipality of Naples, at the address recorded in the competent Companies’ Register.
- 2.2 The governing body has the power to establish, change and close, with the formalities required by law at any given time, secondary offices, branches, subsidiaries, offices, agencies and representative offices, both in Italy and abroad.

Article 3

Domicile

- 3.1 As regards relations with the Company, the domicile, e-mail address and certified e-mail address, if any, of the shareholders is that which appears in the company books; the addresses of the Directors, Statutory Auditors and auditor are those communicated to the Company.

Article 4

Duration

- 4.1 The term of the Company is set until 31 (thirty-one) December 2050 (two thousand and fifty).
- 4.2 The Company may be dissolved or its term extended early by resolution of the

Extraordinary Shareholders' Meeting in accordance with the law.

Article 5

Purpose

5.1 The purpose of the Company, within the limits of the laws in force and with the relative permissions where required, is that of implementing and managing with the use of traditional systems and advanced technologies, but without carrying out regulated activities:

- studies, research, surveys, measurements, detections and programming in the areas of oceanography, geophysics, geology, geotechnics, oceanology, hydrography, meteorology, geodesy, navigation;
- conducting feasibility studies and environmental impact assessments and studies;
- studies, research, surveys and measurements of environmental, ecological, chemical, physical and biological parameters, without conducting regulated activities;
- construction and operation of maritime, land and underwater works;
- construction and operation of pilot plants;
- development and application of systems and techniques to safeguard and develop the environment;
- studies, research, surveys, measurements and interventions related to archaeology and safeguarding landscape assets and monuments, without conducting regulated activities;
- conducting studies, research, surveys, measurements and interventions in the field of research, production and use of energy sources, mineral resources and resources in general, without conducting regulated activities;
- professional training of personnel working in these fields;
- development of electronic programs (software), their update and maintenance, their installation on electronic products (hardware) and the subsequent sale of both;
- construction, management and sale of electronic systems, integrated hardware–software systems, monitoring networks and new technologies in these fields;
- commercial and technical support for the preparation of special ships;
- collection, analysis, processing, interpretation and cartographic rendering of data;
- construction, management and sale of GIS geographic information systems, integrated hardware and software systems for managing spatial data;
- business support services for the planning, management, control and auditing of projects, of works and productive activities in the aforementioned fields always without conducting regulated activities;
- assistance and logistical, technical, technological, regulatory and commercial

- support services to companies in these fields without conducting regulated activities;
- marketing, advertising and sales promotion services and activities in these fields or in other sectors.

In order to promote the achievement of the business purpose, the Company may carry out:

- the management – direct and/or on behalf of third parties – of ships, also owned by third parties, as well as the armament, crew recruitment, technical management, stipulation of insurance policies with insurance companies and/or brokers, relating to ships and crews used for the pursuit of the business purpose;
- the completion at port and customs authorities and at any other competent office of all operations and activities related with the marine and naval industry;
- all commercial, industrial, securities and real estate transactions deemed necessary or useful by the management, it may acquire non-placement shareholdings in other companies with similar or related purpose, to the extent permitted by law, take out loans and use all kinds of financing with Banks, Credit Institutes and companies that are enabled for such purpose, by granting the related guarantees, stipulate leasing contracts as user, request and obtain admission to all tax, credit, social security benefits, access non-refundable funding or grants to be disbursed by public entities, in general.

Article 6

Definitions

6.1 In addition to any other definitions contained in these Articles of Association, the terms and expressions listed below will have the following meanings:

“Shares” means the Class A Shares, the Ordinary Shares, and the shares of other classes that may be issued by the Company from time to time.

“Class A Shares” indicates the Class A Shares, having the characteristics and carrying the rights indicated in paragraph 8.4 below.

“Ordinary Shares” indicates the ordinary Shares, having the characteristics and carrying the rights indicated in paragraph 8.3 below.

“Shareholders’ Meeting” means the ordinary or extraordinary

shareholders' meeting of the Company, as the case may be.

"Board of Statutory Auditors"	means the Company's Board of Statutory Auditors.
"Board of Directors"	means the Company's Board of Directors.
"Control"	has the meaning attributed to it by Article 2359, paragraph 1, no. 1 of the (It.) Civil Code. The terms "to Control" , "Controlled" and "Controlling" are understood to have a meaning consistent with that of Control.
"EGM"	means the multilateral trading system called Euronext Growth Milan, organised and managed by Borsa Italiana S.p.A.
"Marnavi"	indicates Marnavi S.p.A., with registered office in Naples, via Santa Brigida no. 39, tax code no. 01619820630, Chamber of Commerce/EAI no. NA - 313773.
"Transactions with Related Parties"	means the transactions defined as such in Article 3, letter a) of the OPC (Related Party Transactions) Regulation.
"Substantial Stake"	indicates a shareholding in the Company's share capital equal to or exceeding the shareholding thresholds identified in the Transparency Regulation (as defined in the EGM Issuers' Regulation).
"Issuers' Regulation"	indicates Consob Regulation no. 11971 of 14 May 1999, concerning the regulation of issuers, as subsequently amended and supplemented.
"EGM Issuers' Regulation"	means the Euronext Growth Milan Issuers' Regulation published by Borsa Italiana S.p.A. on 1 March 2012, as subsequently amended and supplemented.
"OPC Regulation"	indicates Consob Regulation no. 17221 of 12 March 2010, containing provisions on

related party transactions, as subsequently amended and supplemented.

“Connected Shareholders”

indicates shareholders who are connected to each other by relations of Control or subject to common Control and shareholders who are party to the same shareholders’ agreement pursuant to Article 122 of the Consolidated Law on Finance (TUF).

“Convertible Instruments”

means bonds convertible into Shares and other financial instruments, whether participating or non-participating, which entitle the holder thereof to receive or subscribe for Shares upon conversion or otherwise, Shares.

“Consolidated Law on Finance (TUF)”

indicates (It.) Legislative Decree of 24 February 1998, no. 58 as subsequently amended.

Chapter II

SHARE CAPITAL – SHARES – FINANCIAL INSTRUMENTS – SHAREHOLDERS’ REGISTER – RIGHT OF WITHDRAWAL

**Article 7
Share Capital**

- 7.1 The share capital is Euro 600,000.00 (six hundred thousand/00), divided into Shares pursuant to Article 8 below.
- 7.2 The increase and reduction of the share capital are decided by the Extraordinary Shareholders’ Meeting in the form and manner established by law, unless otherwise provided for in these Articles of Association.
- 7.3 Pursuant to Article 2443 of the (It.) Civil Code, the Shareholders’ Meeting may grant the Board of Directors the power to increase the share capital, on one or more occasions, as well as the power to issue Convertible Equity Instruments, up to a determined amount and for a maximum period of five (5) years from the date of the decision.
- 7.4 The share capital may be increased by contributions in cash, assets in kind and receivables, by issuing Class A Shares, Ordinary Shares or Shares endowed with

various rights in property and/or administrative rights, within the limits of the law. Newly issued Shares may also be allotted to Shareholders in an amount not proportional to their respective contributions.

- 7.5** The capital increases to be paid in cash, even when resulting from a capital reduction pursuant to Articles 2446 and 2447 of the (It.) Civil Code, must be made through the issue of Class A Shares and Ordinary Shares, in a number proportionate to the Class A Shares and Ordinary Shares existing at the time of the decision, to be offered under option to shareholders in proportion to the Shares they respectively hold pursuant to Article 2441, paragraphs 1, 2 and 3, of the (It.) Civil Code. In any case, the Shareholders' Meeting or, in the event of a proxy, the Board of Directors retains the right to (i) exclude the option right to the maximum extent of 10% (ten per cent) of the pre-existing share capital pursuant to Article 2441, paragraph 4, second sentence, of the (It.) Civil Code or (ii) exclude or limit the option right pursuant to Article 2441, paragraphs 5, 6 and 8, of the (It.) Civil Code.
- 7.6** The Company may issue bonds and financial instruments, both participating and non-participating, Convertible Instruments, warrants and other financial instruments, subject to compliance with the applicable legal provisions and the provisions of these Articles of Association.
- 7.7** In the event that the Company issues Convertible Instruments, the holders of such Convertible Instruments will have pre-emption rights in relation to the newly issued Shares, in concurrence with the shareholders, pursuant to Article 2441, paragraphs 1, 2 and 3, of the (It.) Civil Code.
- 7.8** The provisions of paragraphs 7.5 and 7.7 above also apply in relation to the issue of Convertible Instruments.
- 7.9** The Shareholders' Meeting may resolve to allocate to the employees of the Company or its subsidiaries (i) profits, through the issuance of special classes of shares, in accordance with Article 2349, paragraph 1 of the (It.) Civil Code or (ii) various financial instruments in accordance with Article 2349, paragraph 2 of the (It.) Civil Code.
- 7.10** In addition, the Company may acquire payments and loans from shareholders, in return for payment or free of charge, with or without an obligation to repay.

Article 8 Shares

- 8.1** The share capital is divided into 48,000,000 (forty-eight million) Shares, of which:
– 1,500,000 (one million five hundred thousand) Class A Shares; and

– 46,500,000 (forty-six million five hundred thousand) Ordinary Shares.

This is without prejudice to the possibility of the Class A Shares converting into Ordinary Shares, as provided for in paragraph 8.4 (ii) and (iii) below.

8.2 All Shares are without par value, registered, indivisible and freely transferable by deed *inter vivos* or *mortis causa*.

8.3 The Ordinary Shares are subject to the dematerialisation regime pursuant to Articles *83-bis* et seq. of the TUF; therefore, they are transferred and confer the legitimation to exercise corporate rights pursuant to Articles *83-quater*, *83-quinquies* and *83-sexies* of the TUF. In addition, Ordinary Shares entitle the holders to one (1) vote for each share held at ordinary and extraordinary shareholders' meetings of the Company and to the other property and administrative rights due to shareholders under the law and these Articles of Association.

8.4 Class A Shares are subject to the dematerialisation regime pursuant to Articles *83-bis* et seq. of the TUF. Therefore, they are transferred and confer entitlement to exercise corporate rights pursuant to Articles *83-quater*, *83-quinquies* and *83-sexies* of the TUF. In addition, Class A Shares entitle the holders to the same rights as the Ordinary Shares, except for the following:

(i) each Class A Share entitles the holder to 10 (ten) votes, pursuant to Article 2351, paragraph 4 of the (It.) Civil Code, at the Company's ordinary and extraordinary Shareholders' Meetings;

(ii) Class A Shares automatically convert into Ordinary Shares, at a ratio of 1 (one) Ordinary Share for each Class A Share, in the event they are subscribed by, or transferred to, or otherwise held, directly or indirectly, by parties other than: (a) Marnavi or companies Controlled by, or subject to common Control with Marnavi, or (b) companies Controlled by or, in any event, in which more than 50% (fifty per cent) of the relevant capital is held by Marnavi.

(iii) Class A Shares are, at any time, convertible into Ordinary Shares, at a ratio of 1 (one) Ordinary Share for each Class A Share, upon the simple request of each holder, to be submitted, by registered letter with return receipt, certified e-mail or other means guaranteeing proof of receipt, to the Chair of the Board of Directors of the Company and, in copy, to the Chair of the Board of Statutory Auditors. It is understood that each holder of Class A Shares may exercise the right of conversion into Ordinary Shares also with respect to only a part of the Class A Shares held by him/her.

8.5 It is, however, understood that:

- (i) under no circumstances may Ordinary Shares be converted into Class A Shares;
- (ii) the Company may proceed with the issuance of new Class A Shares exclusively in the cases of (a) capital increases by means of new cash contributions without exclusion or limitation of option rights, (b) capital increases without new contributions pursuant to Article 2442 of the (It.) Civil Code, and (c) mergers or demergers, in proportion to the number of Class A Shares outstanding at the time of the new issue;
- (iii) in the event that the Company takes part in a merger or demerger operation, the holders of the Class A Shares may receive, in exchange for, or in addition to, the Class A Shares held by them, shares having the same characteristics as the Class A Shares, within the limits of law and compatibility, unless otherwise resolved by the Special Meeting of Shareholders holding the Class A Shares.

8.6 In all cases of conversion of Class A Shares into Ordinary Shares, the brokers belonging to the centralised management system for dematerialised financial instruments ("**Brokers**") are obliged and authorised to make a credit entry in favour of the legal entity having the right to transfer, noting as the object of the Transfer a number of Ordinary Shares corresponding to the number of Class A Shares transferred.

In the event of a Transfer of Class A Shares which does not result, in accordance with these Articles of Association, in a conversion of the Class A Shares into Ordinary Shares ("**Permitted Transfer**"), it is the responsibility of the persons interested in the transfer to provide instructions (the "**Non-Conversion Instructions**") to the Broker that the credit entry in favour of the legal entity having the cause of action be in respect of Class A Shares, rather than Ordinary Shares. In such a case, a copy of the documentation proving the nature of the Permitted Transfer must be sent to the Company at the same time. It is the duty of the Board of Directors of the Company to verify, within the terms of the penultimate paragraph of this Art. 8.6, the conformity of the Non-Conversion Instructions with these Articles of Association. In the event of a negative outcome of the verification by the Board of Directors, the Class A Shares transferred will automatically convert into Ordinary Shares and the Brokers will be obliged and authorised to make the entry in accordance with the first sentence of this Article 8.6.

In any case of conversion of Class A Shares into Ordinary Shares, the conversion shall take effect vis-à-vis the Company at the end of the calendar month within which one of the causes of conversion provided for in Art. 8.4 arose – as well as, if applicable, on the day preceding the so-called record date of any shareholders' meeting that is convened after the conversion cause – without prejudice to the

obligation of the Brokers to make the notations resulting from the conversion, even before these deadlines, in accordance with the provisions contained in the preceding paragraphs. The governing body, within the first ten days of each calendar month, ascertains and takes note of the occurrence of the causes of conversion and the resulting conversion. In connection therewith, the governing body makes all appropriate notifications pursuant to the applicable laws and regulations, including the filing of the updated Articles of Association with the Companies' Registry, pursuant to Art. 2436, paragraph 6 of the (It.) Civil Code, showing the number of Ordinary Shares and Class A Shares into which the share capital is divided.

In any case of breach of the obligations to notify the occurrence of a conversion cause or failure by the Brokers to record the fact of conversion, the voting rights of the Class A Shares for which the prescribed notifications or notations have not been made are suspended until the situation is regularised. Resolutions passed with the casting vote of the Class A Shares whose vote is suspended are voidable pursuant to Art. 2377 of the (It.) Civil Code.

8.7 In the event of an increase of the share capital, the following provisions apply:

- (i) in the event of a bonus share capital increase with the issue of new Shares, new Ordinary Shares and new Class A Shares must be issued in proportion to the number of Shares of the two classes into which the share capital will be divided on the effective date of the relevant resolution;
- (ii) in the event of an increase of the share capital to be effected by the issue of Ordinary Shares only, the right to subscribe for the issued Ordinary Shares will be granted to all shareholders (unless the relevant pre-emption right is excluded in accordance with the law or is not vested) in proportion and in relation to the Shares – whether Ordinary Shares or Class A Shares – held by each of them at the time of the execution of the capital increase. In such a case, the need for approval of the relevant resolution, pursuant to Article 2376 of the (It.) Civil Code, by the special meetings of holders of any class of shares is excluded in any event;
- (iii) in the event of a capital increase to be effected by the issue of Ordinary Shares and Class A Shares: (a) the number of Ordinary Shares and Class A Shares to be issued must be proportional to the number of Ordinary Shares and Class A Shares into which the share capital will be divided on the effective date of the relevant resolution, and (b) the newly issued Ordinary Shares and Class A Shares must be offered for subscription to the individual shareholder in relation and in proportion, respectively, to the Ordinary Shares and Class A Shares held by him/her at the time of the execution of the capital increase, it being further specified that: (I) the Class A Shares may only be subscribed for by shareholders already holding Class A Shares; (II) in the total or partial absence of subscription of the newly issued Class A Shares by shareholders

already holding Class A Shares, the Class A Shares will automatically be converted into Ordinary Shares at a ratio of one Ordinary Share for each Class A Share and will be offered under option to the other shareholders in accordance with the law;

- (iv) in the event of a paid increase of the share capital, with the exclusion of pre-emption rights in accordance with the law, the approval of the special meetings of the holders of any class of shares pursuant to Art. 2376 of the (It.) Civil Code is not required.

Article 9 Shareholders' Register

- 9.1 The Company keeps, in compliance with the applicable laws, the shareholders' register, either in hard copy or in electronic form, in accordance with the provisions of Article *2215-bis* of the (It.) Civil Code and the applicable laws and regulations.
- 9.2 The Company may request, at any time and at its own expense, from the brokers, through the procedures provided for by applicable laws and regulations, the identification data of shareholders holding Shares in excess of 0.5% (zero point five per cent) of the share capital pursuant to Article *83-duodecies* of the TUF.

Article 10 Right of withdrawal

- 10.1 Shareholders have the right to withdraw in the cases provided for by law and these Articles of Association.
- 10.2 The right of withdrawal does not apply to shareholders who did not vote for the approval of resolutions concerning the extension of the duration of the Company or the introduction or removal of restrictions on the circulation of Shares.
- 10.3 The liquidation value of the Shares to which the withdrawal applies is determined by the Board of Directors, after hearing the opinion of the Board of Statutory Auditors and the registered auditor, taking into account the Company's assets and income prospects, as well as the market value of the Shares, and is communicated to the shareholders within the deadlines set forth in Article *2437-ter*, paragraph 5, of the (It.) Civil Code.
- 10.4 The right of withdrawal shall be exercised by shareholders, with notice to be sent to the governing body, by registered letter with return receipt, certified e-mail or other means guaranteeing proof of receipt, within 15 (fifteen) days from the date of registration in the Companies' Registry of the resolution legitimising it or, in other cases, within 30 (thirty) days from the time the shareholder becomes aware of the fact from which the right of withdrawal derives.
- 10.5 The Shares in respect of which the right of withdrawal is exercised may not be

transferred, except within the scope of and for the purposes of the liquidation procedure pursuant to Article 2437-*quater* of the (It.) Civil Code.

- 10.6 The right of withdrawal may not be exercised and, if already exercised, shall be ineffective if, within 90 (ninety) days, the Shareholders' Meeting revokes the resolution legitimising it or resolves to wind up the Company with the majorities set forth, as the case may be, in Sections 18.1 or 18.2 and 18.3 below, calculated net of the Shares for which the right of withdrawal has been exercised.
- 10.7 Shares for which the right of withdrawal has been exercised shall be liquidated by the Company in the manner and within the terms set forth in Article 2437-*quater* of the (It.) Civil Code.

Chapter III

SUBSTANTIAL STAKES – INTRA-CORPORATE TAKEOVER BID – DELISTING

Article 11

Substantial stakes

- 11.1 From the moment the Ordinary Shares are admitted to trading on the EGM, the "Transparency Rules" on disclosure requirements for Substantial Stakes apply.
- 11.2 Pursuant to the provisions of the EGM Issuers' Regulation, shareholders who reach or exceed, increase or decrease, the Substantial Stake thresholds are required to notify the Company.
- 11.3 Notification of Substantial Stakes must be made without delay and within the terms of the law and regulations applicable from time to time.
- 11.4 Voting rights pertaining to the Shares for which the disclosure obligations set forth in this Article 11 have not been fulfilled are suspended and may not be exercised, and shareholders' resolutions adopted with their casting vote may be challenged pursuant to Article 2377 of the (It.) Civil Code.
- 11.5 Shares for which the disclosure requirements have not been fulfilled are counted for the purposes of the constitution of the Shareholders' Meeting, but not for the purposes of calculating the majority required for the adoption of resolutions, pursuant to Article 18 below.

Article 12

Intra-corporate takeover bid

- 12.1 As of the time the Ordinary Shares are admitted to trading on the EGM, the provisions on mandatory tender and exchange offers relating to listed companies set forth in the TUF and Consob's implementing regulations, limited to the

provisions referred to in the EGM Issuers' Regulations (hereinafter, the "**Referenced Rules and Regulations**"), shall apply by way of voluntary reference and to the extent compatible.

- 12.2 Any determination appropriate or necessary for the proper conduct of the offer (including those possibly pertaining to the determination of the offer price) will be adopted pursuant to and for the purposes of Article 1349 of the (It.) Civil Code, at the request of the Company and/or of the shareholders, by the Panel referred to in the EGM Issuers' Regulation, which will also decide on the timeframes, methods and costs of the relevant proceedings and on the publicity of the measures thus adopted in accordance with the EGM Issuers' Regulation.
- 12.3 Without prejudice to any legal right of the addressees of the offer, exceeding of the shareholding threshold set forth in Article 106, paragraphs 1, 1-*bis*, 1-*ter*, 3 letter (a), 3 letter (b) (without prejudice to the provision set forth in paragraph 3-*quater*) and 3-*bis* of the TUF if not accompanied by the communication to the Board of Directors and the submission of a total public offer within the terms provided for by the Referenced Rules and Regulations and by any determination that may be made by the Panel with reference to the offer itself, as well as any failure to comply with such determinations shall result in the suspension of the voting right on the exceeding shareholding.
- 12.4 As from the moment when the Shares are admitted to trading on the EGM, the Company makes applicable, by way of voluntary reference and to the extent compatible, the provisions of Articles 108, 109 and 111 of the TUF and the relevant Consob implementing regulations.
- 12.5 In all cases in which Articles 108 and 111 of the TUF and the related implementing provisions of the Issuers' Regulation envisage that Consob shall determine the consideration for the exercise of the obligation and the right to purchase, such consideration shall be equal, where so envisaged by the aforesaid provisions, to that of the previous all inclusive public tender offer or, in other cases, also by way of derogation from the aforesaid provisions of the Issuers' Regulation, to the higher of (i) the highest price provided for the purchase of Shares of the same class during the 12 (twelve) months preceding the occurrence of the right or obligation to purchase by the person obliged to do so, as well as by persons acting in concert therewith, to the extent known to the Board of Directors, and (ii) the weighted average market price of the Shares during the last six months prior to the occurrence of the obligation or right to purchase.
- 12.6 It is understood that the provisions of this Article 12 apply exclusively in cases where the takeover and exchange offer is not otherwise subject to the supervisory powers of Consob and to the provisions on takeover and exchange offers set forth in the TUF.

Article 13
Withdrawal of admission to trading of the Shares

- 13.1 If the Company requests Borsa Italiana to revoke the admission to trading on the EGM of its Ordinary Shares, the Company must give notice of such intention to revoke by also informing Euronext Growth Advisor and must also separately inform Borsa Italiana of the preferred date for revocation at least 20 (twenty) trading days prior to such date.
- 13.2 Subject to the exceptions envisaged by the EGM Issuers' Regulation, the request must be approved by the Shareholders' Meeting with the favourable vote of at least 90% (ninety per cent) of the holders of Ordinary Shares attending said meeting. This *quorum* shall apply to any resolution of the Company that may result, even indirectly, in the exclusion of its Ordinary Shares from trading on the EGM, as well as to any resolution amending this provision of the Articles of Association.

Chapter IV

SHAREHOLDERS' MEETING

Article 14
Powers of the Shareholders' Meeting

- 14.1 The Shareholders' Meeting represents all the shareholders and decides, in ordinary or extraordinary session, on matters reserved to it by law and by these Articles of Association.
- 14.2 As from the moment the Ordinary Shares are admitted to trading on the EGM, the Ordinary Shareholders' Meeting is also competent to authorise, pursuant to Article 2364, paragraph 1 no. 5, of the (It.) Civil Code, the following decisions of the Board of Directors:
- (i) acquisitions of shareholdings, companies, branches of companies or other assets of any nature that entail a "reverse take-over" within the meaning of Articles 14 and 16 of the EGM Issuers' Regulation; and
 - (ii) disposals of shareholdings, companies, branches of companies or other assets of any kind that realise a "substantial change of business" within the meaning of Article 15 of the EGM Issuers' Regulation.

Article 15
Convocation

- 15.1 Subject to the provisions of Article 16, paragraph 3 et seq. below, the Shareholders' Meeting may also be held outside the registered office, provided it is in Italy, in

other countries of the European Union, in the United Kingdom or in Switzerland.

- 15.2** Pursuant to Art. 2370, paragraph 4, of the (It.) Civil Code, participation in the Shareholders' Meeting may take place by means of telecommunication media, within the limits of what may be stipulated in the notice of call and in the manner permitted by the Chair of the Shareholders' Meeting. The notice of the meeting may stipulate that the meeting is to be held exclusively by means of telecommunication, omitting the indication of the physical location of the meeting.
- 15.3** Shareholders' Meetings are convened by the Board of Directors, when it deems it appropriate or when it is requested by a number of shareholders with voting rights representing at least one-tenth of the share capital, or by the Board of Statutory Auditors in accordance with the law.
- 15.4** The Ordinary Shareholders' Meeting must be convened at least once a year to approve the financial statements, within 120 (one hundred and twenty) days from the end of the financial year; this term may be extended to 180 (one hundred and eighty) days when the Company is required to prepare consolidated financial statements or particular needs related to the Company's purpose and structure so require.
- 15.5** The Shareholders' Meeting is convened by means of a notice published at least 15 (fifteen) days prior to the meeting in the Official Gazette of the Italian Republic or, alternatively, in a daily newspaper with national circulation to be chosen from "Il Sole24 Ore"/"Milano-Finanza"/"Italia Oggi"/"Corriere della Sera", as well as on the Company's website. The notice of the meeting must contain the day, time and place (unless the meeting is held exclusively by telecommunication means) of the meeting, as well as the places that may be connected to it by data transmission means, the list of items to be discussed and any other information required by law and the applicable regulations.

Article 16

Entitlement to speak and vote – Voting proxies

- 16.1** Entitlement to participate in the Shareholders' Meeting and to exercise voting rights is governed, for the holders of Ordinary Shares and Class A Shares, in accordance with the provisions of paragraphs 8.3 and 8.4 above, respectively.
- 16.2** Shareholders entitled to attend the Shareholders' Meeting may be represented by written proxy by others, including non-shareholders, pursuant to Article 2372 of the (It.) Civil Code. The proxy may also be notified to the Company electronically, in the manner that will be indicated in the notice of call.
- 16.3** The Company may designate, for each shareholders' meeting, with an indication contained in the notice of call, a person, with the role of designated representative,

also on an exclusive basis, to whom shareholders may grant proxy with voting instructions on all or some of the proposals on the agenda, in the manner and under the terms provided by law and the *pro tempore* regulatory provisions in force.

- 16.4** Where envisaged and/or permitted by the *pro tempore* legislation in force, the Company may envisage that participation and the exercise of voting rights in the shareholders' meeting may also take place exclusively through the conferment of a proxy (or sub-proxy) to the designated representative. To this end, the Company may envisage in the notice of call that attendance at the meeting and the exercise of voting rights shall take place exclusively through the designated representative.
- 16.5** If the Company avails itself of the option set forth in the preceding paragraph, and where envisaged and/or permitted by the laws and regulations *pro tempore* in force, the Company may envisage that participation in the Shareholders' Meeting by the entitled parties (directors, statutory auditors, representatives of the independent auditors, Notary Public, appointed representative and other parties who are allowed to participate in the Shareholders' Meeting pursuant to the law and the Articles of Association, other than those entitled to vote) may also or only take place by means of telecommunication that guarantee their identification, without the need for the Chair, the Secretary and/or the Notary Public to be in the same place, provided that the meeting formalities and the principles of good faith and equal treatment of shareholders are respected, and in particular provided that: (a) the chair of the meeting is allowed to ascertain the identity and legitimacy of those present, regulate the proceedings of the meeting, and ascertain and proclaim the results of the vote; (b) the person taking the minutes is allowed to adequately perceive the events of the meeting being recorded; (c) those present are allowed to participate in the discussion and simultaneous vote on the items on the agenda.

Article 17

Chair and Secretary of the Shareholders' Meeting – minute-taking

- 17.1** The Shareholders' Meeting is chaired by the Chair of the Board of Directors or, in the event of his/her absence, resignation or impediment, by the Vice-Chair of the Board of Directors, if appointed, or, if more than one, by the most senior Vice-Chair or, failing that, by another person designated by those present.
- 17.2** The Chair is assisted by a Secretary, appointed by the Shareholders' Meeting, or a Notary Public.
- 17.3** The Chair of the Shareholders' Meeting ascertains the identity and legitimacy of those present, verifies the regularity of the constitution of the Shareholders' Meeting, regulates its proceedings, establishes the voting procedures in accordance with the law, and ascertains the results of the votes; the results of these checks must be recorded in the minutes.

- 17.4 The resolutions adopted by the Shareholders' Meeting must be recorded in minutes signed by the Chair and the Secretary or the Notary Public.

Article 18

Constitution and deliberations of the Shareholders' Meeting

- 18.1 Unless otherwise envisaged by the applicable provisions of the law and regulations and these Articles of Association, in first call, the Ordinary Shareholders' Meeting shall be duly constituted with the presence of as many shareholders as hold Shares attributing an absolute majority of the total votes pertaining to the Shares issued and shall pass resolutions with the favourable vote of the absolute majority of the votes attributable to the shareholders present. On second call and, if envisaged by the notice of call, on subsequent calls, the Ordinary Shareholders' Meeting shall be duly constituted regardless of the percentage of votes attributed to the Shares held by the shareholders present at the Meeting and shall pass resolutions with the favourable vote of the absolute majority of the votes of the shareholders present.
- 18.2 Unless otherwise envisaged by the applicable provisions of the law and regulations and these Articles of Association, in first call, the Extraordinary Shareholders' Meeting shall be duly constituted with the presence of as many shareholders as hold Shares attributable to, and resolves with the favourable vote of, the absolute majority of the total votes attributable to the Shares issued. In second call and, if envisaged by the notice of call, in subsequent calls, the Extraordinary Shareholders' Meeting shall be duly constituted with the presence of as many shareholders as hold Shares attributing more than one-third of the total votes pertaining to the Shares issued and shall pass resolutions with the favourable vote of two-thirds of the votes attributable to the shareholders present.
- 18.3 Resolutions of the Extraordinary Shareholders' Meeting concerning the change of the corporate purpose, the transformation of the Company, the early dissolution, the extension of the Company, the revocation of the state of liquidation, the transfer of the registered office abroad and the issuance of shares pursuant to Article 2351, paragraph 2 of the (It.) Civil Code may, in any case, only be adopted with the favourable vote of more than one third of the total votes for the Shares issued.

Article 19

Special meetings of Class Share holders

- 19.1 Pursuant to Article 2376 of the (It.) Civil Code, resolutions of the Shareholders' Meeting that may affect the rights attributed by these Articles of Association to the shareholders of a class of Shares must also be approved by the special meeting of the shareholders of the class concerned.

- 19.2 In first call, special meetings of shareholders holding class Shares shall be duly constituted and pass resolutions with the favourable vote of the absolute majority of the Shares of the class concerned; in second call, special meetings of shareholders holding class Shares shall be duly constituted with the participation of more than one third of the Shares of the class concerned and pass resolutions with the favourable vote of at least two thirds of the Shares present.

Chapter V

BOARD OF DIRECTORS

Article 20

Composition and term of the Board of Directors

- 20.1 The Company is governed by a Board of Directors consisting of a minimum of 3 (three) and a maximum of 7 (seven) Directors, established by the Shareholders' Meeting with a resolution approved with the majorities set forth in paragraph 18.1 above.
- 20.2 The Directors must meet the eligibility requirements set forth in Article 2399 of the (It.) Civil Code and the integrity requirements set forth in Article 147-*quinquies* of the TUF and its implementing regulations. Furthermore, at least 1 (one) of the Directors must meet the independence requirements pursuant to Article 148, paragraph 3, of the TUF, as referred to in Article 147-*ter*, paragraph 4, of the TUF. Failure, even supervening, to meet these requirements results in forfeiture of office.
- 20.3 The Directors hold office for the period fixed by the resolution of the Shareholders' Meeting appointing them, up to a maximum of 3 (three) financial years and may be re-elected pursuant to Article 2383 of the (It.) Civil Code. Their term of office expires on the date of the Shareholders' Meeting called to approve the financial statements for the last financial year of their office.

Article 21

Appointment of Directors

- 21.1 The Directors are appointed by the Shareholders' Meeting on the basis of lists submitted by the shareholders, in accordance with the procedure indicated below.
- 21.2 The right to submit lists of candidate Directors is reserved to shareholders holding, individually or jointly with other shareholders holding Class A Shares or Ordinary Shares, respectively, as many Shares as represent at least 5% (five per cent) of the share capital. Ownership of the minimum shareholding is determined by taking into account the Shares that are recorded in the shareholders' register or registered in favour of each shareholder on the day the lists are filed with the issuer, as the case may be.

- 21.3** Each shareholder and the Connected Shareholders may submit, even through an intermediary or trustee, only one list of candidate Directors. In the event of a breach of this paragraph, the Shares held by the shareholders and Connected Shareholders who have submitted more than one list shall not be counted for the purpose of calculating the shareholding requirement for the submission of the relevant lists under paragraph 21.2 above.
- 21.4** The lists must be composed of a number of candidates equal to or fewer than the number of Directors to be elected, including at least 1 (one) candidate meeting the independence requirements set forth in Article 148, paragraph 3 of the TUF. Each candidate must be assigned a sequential number and may only appear on one list under penalty of ineligibility.
- 21.5** The lists, signed by the shareholders submitting them, must be sent by registered letter with return receipt, certified e-mail or e-mail to the Chair of the Board of Directors and deposited at the Company's registered office by the latter at least 7 (seven) days prior to the date set for the Shareholders' Meeting on first call.
- 21.6** The following must be sent and filed with each list, in the manner and by the deadline set forth in paragraph 21 above: (i) the certification issued by the broker proving the ownership of the Shares of the shareholders submitting the list (or other appropriate title, at any given time), (ii) the declarations with which the candidate Directors accept the candidacy and attest, under their own responsibility, the non-existence of causes of ineligibility and disqualification provided for by the applicable provisions of law or regulations and by the Articles of Association and the possession of the additional requirements envisaged by the applicable provisions of law or regulations and by the Articles of Association, and (iii) the *curriculum vitae* of each candidate Director.
- 21.7** Lists not submitted in accordance with the provisions of paragraphs 21.2 to 21.6 above shall be considered as invalidly submitted and may not be submitted to the shareholders' vote.
- 21.8** At least 5 (five) days prior to the date scheduled for the Shareholders' Meeting on first call, the Company will make the lists of candidates filed and accompanied by the documents referred to in paragraph 21.6 above available to the public by publishing them on its website.
- 21.9** At the Shareholders' Meeting, each shareholder, irrespective of the category of shares held and the number of votes available, including through third parties or trust companies, may vote for only one list. Votes cast in violation of the prohibition in this paragraph will not be attributed to any list.
- 21.10** The following procedure shall be followed in electing the Directors:

- (i) all the Directors to be elected minus one will be taken from the list obtaining the highest number of votes cast (the “**BoD Majority List**”), in the sequential order in which they are listed;
- (ii) the last Director to be elected, in the person of the candidate indicated with the first number in said list, shall be drawn from the list obtaining the second highest number of votes cast and which is not connected, even indirectly, with the shareholders who submitted or voted for the Majority List of the BoD (the “**BoD Minority List**”).

It is, however, understood that:

- (a) for the purposes of the election of Directors, lists that do not obtain a percentage of votes equal to at least half of the percentage required for the submission of lists will not be taken into account;
- (b) In the event that several lists have obtained the same number of votes, a new ballot will be held between those lists, with the candidates of the list obtaining the simple majority of votes being elected;
- (c) in the event that the BoD Majority List does not include a sufficient number of candidates to ensure that the number of Directors to be elected is reached, it being understood that all the candidates listed therein shall be taken from the BoD Majority List, according to the progressive order indicated in said list, and that one Director shall be taken from the BoD Minority List, pursuant to point (ii) above, the appointment of the remaining Directors will take place by resolution of the Shareholders’ Meeting to be adopted with the majorities set forth in paragraph 18.1 above;
- (d) if, among the candidate Directors elected in the manner set forth above, there is not at least one Director who meets the independence requirements set forth in Article 148, paragraph 3, of the TUF, the non-independent candidate elected last in numerical order in the BoD Majority List will be replaced by the first independent candidate in numerical order not elected in the same BoD Majority List or, failing that, by the first independent candidate in numerical order not elected in the BoD Minority List or, failing that, from the other lists, according to the number of votes obtained by each. This replacement procedure will take place until the Board of Directors is composed of at least one Director meeting the requirements of Article 148, paragraph 3 of the TUF. If the application of said procedure does not ensure such an outcome, the replacement will take place by a resolution passed by the Shareholders’ Meeting by majority vote, subject to the submission of nominations of persons meeting said requirements;
- (e) if only one list is submitted, the entire Board of Directors will be drawn from

it, provided it obtains the majority required by paragraph 18.1 above for the adoption of resolutions of the Ordinary Shareholders' Meeting at the relevant call;

- (f) if no list is submitted, the Board of Directors will be appointed by the Shareholders' Meeting, which will decide with the majorities set forth in paragraph 18.1 above, without observing the aforementioned procedure.

Article 22

Replacement of Directors

- 22.1 If, during the financial year, one or more Directors leave office, steps will be taken to replace them in accordance with the following provisions.
- 22.2 If, once one or more Directors have ceased to hold office, the majority of the Board of Directors continues to consist of Directors appointed by the Shareholders' Meeting, the Directors remaining in office will take steps to replace the resigning Directors by means of a resolution approved by the Board of Statutory Auditors pursuant to Article 2386, paragraph 1, of the (It.) Civil Code. It is understood that the Directors thus appointed will remain in office until the next Shareholders' Meeting.
- 22.3 If, once one or more Directors have ceased to hold office, the majority of the Directors appointed by the Shareholders' Meeting is no longer in office, the Directors remaining in office must convene the Shareholders' Meeting to replace the terminated Directors pursuant to Article 2386, paragraph 2, of the (It.) Civil Code. The Shareholders' Meeting will appoint the missing Directors by means of a resolution to be adopted with the majorities specified in paragraph 18.1 above. It is understood that the office of the Directors thus appointed will expire together with that of those already in office at the time of their appointment.
- 22.4 If all Directors in office cease to hold office, the Board of Statutory Auditors must urgently convene the Shareholders' Meeting for the appointment of new Directors pursuant to Article 2386, paragraph 5, of the (It.) Civil Code. The Shareholders' Meeting will appoint the new Directors on the basis of lists submitted by the shareholders pursuant to Article 21 above. Pending the appointment of the new Directors, the Board of Statutory Auditors may carry out the acts of ordinary administration.

Article 23

Chair of the Board of Directors

- 23.1 The Board of Directors shall elect from among its members the chair, unless already appointed by the Shareholders' Meeting.

- 23.2 The Chair is vested with the powers envisaged by Article 2381, paragraph 1 of the (It.) Civil Code and these Articles of Association.
- 23.3 The Board of Directors may also elect one or more Vice-Chairs, who shall perform the duties of the Chair in the event of absence or impediment, and appoint a Secretary, who need not be a member of the Board of Directors.

Article 24 Directors' Remuneration

- 24.1 The Shareholders' Meeting sets the remuneration due to the Directors for their office as members of the Board of Directors. Unless the Shareholders' Meeting resolves otherwise, this remuneration shall be set equally for all Directors.
- 24.2 The Board of Directors may set an additional remuneration for Directors holding special offices, after hearing the opinion of the Board of Statutory Auditors, without prejudice to the power of the Shareholders' Meeting to set an overall amount for the remuneration of all Directors, including those holding special offices. This additional remuneration may consist of a fixed part and a variable part, correlated to the achievement of certain objectives, or consist of the right to subscribe Shares or other financial instruments of the Company or Subsidiaries at a predetermined price, even if issued in the future, on the basis of incentive or stock option plans approved by the Shareholders' Meeting in accordance with the applicable laws and regulations.
- 24.3 The Shareholders' Meeting may also disburse an indemnity for the termination of the relationship, to be set aside in a special item in the balance sheet, calculated as a fixed amount or in proportion to the year's results.
- 24.4 The Directors are in any case entitled to reimbursement of expenses incurred in the performance of their duties.

Article 25 Responsibilities and powers of the Board of Directors – Management delegations

- 25.1 The Board of Directors is vested with the broadest powers for the ordinary and extraordinary administration of the Company and has the authority to perform all acts it deems appropriate for the implementation and achievement of the Company's object and purposes, excluding only those acts that the applicable provisions of law and regulations and the Articles of Association reserve to the Shareholders' Meeting.
- 25.2 To the extent permitted by law and these Articles of Association, the Board of Directors may delegate its powers to one or more Directors and set up an executive committee or other committees with advisory functions from among its members.

- 25.3** The Board of Directors and, if appointed, the Executive Committee and/or the Managing Directors, within the limits of their powers, may appoint, from among the Company's employees, general managers or proxies, as well as, also from among third parties, holders of proxy for specific transactions or special proxy holders, determining their duties and powers in compliance with the law.
- 25.4** The Board of Directors may also set up one or more technical or administrative committees, calling upon persons not belonging to the Board to take part in them, determining their tasks and powers within the limits of the law.

Article 26
Representation of the Company

- 26.1** The legal representation of the Company is vested in the Chair of the Board of Directors, without limitation.
- 26.2** Representation of the Company is also vested in the Managing Directors, if appointed, within the limits of the powers assigned to them.
- 26.3** Representation of the Company will also be vested in the general manager, the proxies and attorneys-in-fact within the limits of the powers conferred on them by the deed of appointment.

Article 27
Meetings of the Board of Directors

- 27.1** Unless the meeting is held solely by means of telecommunication, the Board of Directors shall meet at the Company's registered office or at another location, provided that it is in Italy, in other countries of the European Union, in the United Kingdom or in Switzerland, whenever the Chair deems it necessary or when a written request is made by at least two Directors or by the Board of Statutory Auditors.
- 27.2** Pursuant to Art. 2388, paragraph 1, of the (It.) Civil Code, participation in the Board of Directors' meetings may take place by means of telecommunication, within the limits of what may be stipulated in the notice of call and in the manner permitted by the person chairing the meeting, without the need for the Chair and/or Secretary to be in the same place. In the notice of call, it may be stipulated that the meeting of the Board of Directors shall be held exclusively by means of telecommunication, omitting the indication of the physical location of the meeting.
- 27.3** The Board of Directors is convened by the Chair or, if the latter is absent or unable to attend, by the Vice-Chair or, if the latter is also absent or unable to attend, by the senior Director by notice sent to the other Directors and Statutory Auditors at least 3 (three) days before or, in case of urgency, at least 1 (one) day before the

day set for the meeting, by registered letter with return receipt, certified e-mail, e-mail or other means with proof of receipt. The notice must contain a list of the matters to be discussed and an indication of the day, time and place (except in the case of a meeting held exclusively by telecommunication means) of the meeting and/or, in the case of paragraph 27.2 above, the number of audio-video conference and/or multimedia links to which the participants may be connected.

- 27.4** Even in the absence of a formal convocation, the Board of Directors shall be considered validly constituted when the majority of the Directors and Statutory Auditors are present and none of the Directors and Statutory Auditors opposes the discussion of the items on the agenda, provided that they have been informed in advance of the meeting even without the formalities required for convocation pursuant to paragraph 27.3 above.
- 27.5** The Chair of the Board of Directors, if he/she deems it appropriate, may invite external observers or experts to Board meetings to discuss matters of technical content or requiring specific expertise.
- 27.6** The meetings of the Board of Directors are chaired by the Chair or, in the event of his/her absence, resignation or impediment, by the Vice-Chair, if appointed, or, if more than one, by the most senior Vice-Chair or, if none, by the Director designated by the majority of the Directors attending.
- 27.7** The Board of Directors is duly constituted with the presence of the majority of the Directors in office and passes resolutions by an absolute majority of the Directors present.
- 27.8** The resolutions of the Board of Directors and any BoD committees are recorded in minutes that are transcribed in a special register, kept in accordance with the law, and signed by the Chair of the meeting and the Secretary.

Article 28

Transactions with Related Parties

- 28.1** Following the admission of the Shares to trading on the EGM, the Board of Directors adopts procedures to ensure the transparency and substantive fairness of Related Party Transactions, in accordance with the provisions of the RPT Regulation, as referred to in the EGM Issuers' Regulation.

Chapter VI

BOARD OF STATUTORY AUDITORS – STATUTORY AUDIT

Article 29

Composition of the Board of Statutory Auditors

- 29.1** The Board of Statutory Auditors consists of 3 (three) Standing Auditors, including the Chair, and 2 (two) Alternate Auditors, appointed by the Shareholders' Meeting in accordance with the provisions of Article 30 below.
- 29.2** The standing Statutory Auditors and the alternate Statutory Auditors hold office for 3 (three) financial years and their office expires on the date of the Shareholders' Meeting called to approve the financial statements for the last financial year of their term of office. The Statutory Auditors are eligible for re-election.
- 29.3** The Statutory Auditors must meet the eligibility requirements of Article 148, paragraph 3 of the TUF and the integrity and professionalism requirements of Article 148, paragraph 4 of the TUF. Failure, even supervening, to meet these requirements will result in the disqualification of the Statutory Auditors from office. Matters pertaining to commercial law, company law, tax law, business economics, corporate finance, and disciplines with a similar or assimilated object, as well as matters and sectors pertaining to the Company's field of activity, are deemed to be strictly pertinent.
- 29.4** When appointing the Board of Statutory Auditors, the Shareholders' Meeting sets the amount of the remuneration to be paid to the Statutory Auditors.

Article 30

Appointment of the Statutory Auditors

- 30.1** The Statutory Auditors are appointed by the Shareholders' Meeting on the basis of lists submitted by the shareholders, in accordance with the procedure indicated below.
- 30.2** The right to submit lists of candidate Statutory Auditors is reserved to shareholders who are entitled to submit lists of candidate Directors pursuant to paragraphs 21.2 and 21.3 above.
- 30.3** The lists must be divided into two sections – one for candidates for the office of Standing Auditor and the other for candidates for the office of Alternate Auditor – and must be composed of a number of candidates equal to or fewer than the number of Auditors to be elected, each matched to a progressive number. The candidates for Statutory Auditors must meet the requirements set out in paragraph 29.3 above. In addition, the first of the candidates in each section must be enrolled in the register of statutory auditors and have exercised the activity of statutory auditor for a period of no less than 3 (three) years.
- 30.4** The provisions of paragraphs 21.5 to 21.8 above apply to the submission, filing and publication of the lists of candidate Statutory Auditors.
- 30.5** Shareholders may vote for lists of candidate Statutory Auditors in accordance with

the provisions of paragraph 21.9 above.

30.6 The election of the Statutory Auditors shall be conducted as follows:

- (i) Two of the Standing Auditors and one of the Substitute Auditors to be elected will be taken from the list obtaining the highest number of votes cast (the “**BSA Majority List**”), in the sequential order in which they are listed in the sections of the BSA Majority List;
- (ii) the remaining Standing Auditor and the remaining Alternate Auditor will be drawn from the list obtaining the second highest number of votes and which is not connected, even indirectly, with the shareholders who submitted or voted for the list obtaining the highest number of votes (the “**BSA Minority List**”), according to the progressive order with which they are listed in the sections of the list.

It is, however, understood that:

- (a) for the purposes of the election of the Statutory Auditors, lists that do not obtain a percentage of votes equal to at least half of that required for their submission will not be taken into account;
- (b) In the event that several lists have obtained the same number of votes, a new ballot will be held between those lists, with the candidates of the list obtaining the simple majority of votes being elected;
- (c) in the event that the BSA Majority List does not present a sufficient number of candidates to ensure the attainment of the number of Standing and Alternate Auditors to be elected, it being understood that all the candidates listed therein shall be drawn from the BSA Majority List, in the progressive order indicated in such BSA Majority List, and that one Auditor shall be drawn from the BSA Minority List, pursuant to the provisions of paragraph (ii) above, the appointment of the remaining Auditors will take place by resolution of the Shareholders’ Meeting to be adopted with the majorities set forth in paragraph 18.1 above;
- (d) if the candidates for the office of Statutory Auditor, elected in the manner set forth above, do not meet the requirements set forth in paragraph 29.3 above, the candidates who do not meet such requirements will be replaced, in sequential order, by the first candidates meeting the requirements not elected from the same list or, failing that, by the first candidates meeting the requirements not elected from the BSA Minority List or, failing that, from the other lists, according to the number of votes obtained by each. This replacement procedure will take place until the Board of Statutory Auditors is composed of Statutory Auditors meeting the requirements. If this procedure

does not ensure such an outcome, the replacement will take place by resolution passed by the Shareholders' Meeting by the majority referred to in paragraph 18.1 above, subject to the submission of nominations of persons meeting the aforementioned requirements;

- (e) if only one list is submitted, the entire Board of Statutory Auditors will be drawn from it, provided that it obtains the majority required by paragraph 18.1 above, for the adoption of resolutions of the Ordinary Shareholders' Meeting at the relevant call.
- (f) if no list is submitted, the Board of Statutory Auditors will be appointed by the Shareholders' Meeting, which will decide with the majorities set forth in paragraph 18.1 above, without observing the above procedure.

30.7 The Chair of the Board of Statutory Auditors is appointed by the Shareholders' Meeting:

- (i) if a BSA Minority List has been submitted, in the person of the Statutory Auditor drawn from such BSA Minority List in accordance with point (ii) of paragraph 30.6 above;
- (ii) if only one list has been submitted, in the person of the Statutory Auditor drawn from that list in accordance with point (e) of paragraph 30.6 above and indicated in it with the lowest sequential number;
- (iii) if no list is presented, in the person of one of the Standing Auditors appointed by the Shareholders' Meeting itself, by resolution passed with the majorities provided for in paragraph 18.1 above.

30.8 In the event of termination of office, the standing Auditors or alternate Auditors and/or the Chair shall be replaced in accordance with Article 2401 of the (It.) Civil Code, it being understood that the Statutory Auditors required to supplement the Board of Statutory Auditors will be appointed by the Shareholders' Meeting with the majorities set forth in paragraph 18.1 above, without complying with the procedure set forth in paragraph 30.6 above.

Article 31

Functions and meetings of the Board of Statutory Auditors

31.1 The Board of Statutory Auditors supervises compliance with the law and the Articles of Association, compliance with the principles of good administration and in particular the adequacy of the organisational and administrative and accounting procedures adopted by the Company and its concrete operation.

31.2 The Board of Statutory Auditors meets at least every 90 (ninety) days at the

initiative of the Chair or one of the other Statutory Auditors.

- 31.3** Meetings of the Board of Statutory Auditors may also or exclusively be held by means of telecommunication, in the same manner as meetings of the Board of Directors.
- 31.4** The Board of Statutory Auditors is regularly constituted with the presence of a majority of auditors and shall decide by an absolute majority of those present.

Article 32
Registered auditor

- 32.1** The statutory audit of the Company's accounts is entrusted to a registered auditor or to an auditing company registered in the appropriate register in accordance with the provisions in force.
- 32.2** The appointment of a registered auditor is conferred, upon justified proposal of the Board of Statutory Auditors, by the Shareholders' Meeting, which shall also determine the fee for the entire duration of the appointment and any criteria for adjusting the fee during the appointment, with a resolution approved with the majorities set forth in paragraph 18.1 above.
- 32.3** The appointment as registered auditor lasts for 3 (three) financial years, expiring on the date of the Shareholders' Meeting called to approve the financial statements for the third financial year of the assignment.

Chapter VII

FINANCIAL STATEMENTS – DISSOLUTION

Article 33
Financial statements and accounting documents

- 33.1** The financial year ends on 31 December of each year.
- 33.2** At the end of each financial year, the Board of Directors prepares the annual financial statements and the report on operations, as well as the additional accounting documents required by the law and regulations applicable from time to time, in accordance with legal requirements.

Article 34
Profits, dividends and other distributions

- 34.1** The shareholders are entitled, in proportion to the Shares held, to a fraction of the annual net profit distributed in accordance with the resolution of the Shareholders' Meeting and of the net assets resulting from the liquidation.

- 34.2** The net profit resulting from the duly approved financial statements, after deducting 5 (five) per cent for the legal reserve, until the latter has reached one-fifth of the share capital, is allocated to the shareholders by way of dividend or set aside as a reserve, as resolved by the Shareholders' Meeting.
- 34.3** If the legal prerequisites are met, the Board of Directors may, during the course of the financial year, approve the distribution of interim dividends to shareholders under the conditions and within the limits of Article 2433-*bis* of the (It.) Civil Code.
- 34.4** The Ordinary or Extraordinary Shareholders' Meeting, depending on competence, may at any time resolve on the distribution to shareholders of the reserves resulting from the financial statements or formed through contributions by shareholders, insofar as they are available, in cash or in kind, provided that the principle of equal treatment is ensured in this case, as well as the allocation to shareholders of shares, financial instruments or other rights vis-à-vis the Company.
- 34.5** The payment of dividends or interim dividends and further distributions or allocations to shareholders shall be made within the deadlines and in the manner determined by the Shareholders' Meeting or the Board of Directors, as the case may be. Unclaimed dividends and other distributions shall be forfeited in favour of the Company in accordance with the provisions of the (It.) Civil Code.

Article 35

Dissolution and liquidation of the Company

- 35.1** The Company is dissolved in the cases provided for by law.
- 35.2** In the event of dissolution of the Company, the Shareholders' Meeting shall determine the manner of liquidation and appoint one or more liquidators, fixing their powers and remuneration, in accordance with Article 2487 of the (It.) Civil Code.

Article 36

Reference rules

- 36.1** The relevant laws and regulations apply, including the provisions of the EGM Issuers' Regulation in its version in force from time to time, for all matters not provided for in these Articles of Association.