

**ARTICLES OF ASSOCIATION**  
**NAME – OBJECT – REGISTERED OFFICE – DURATION**

**Article 1**

A “Società per Azioni” (joint-stock company) is hereby incorporated with the name:  
“TOD’S S.P.A.”.

**Article 2**

The Company’s purpose is manufacture of shoes and items in leather and synthetic materials, apparel in general, soles, and any other component and/or accessory for shoes, leather goods, and apparel. The Company may also process the aforementioned products on behalf of third parties. The Company may also engage in wholesale and retail trade and agency, with or without bailment, of all the articles indicated hereinabove. The Company may acquire equity or non-equity investments in other companies whose purpose is similar or otherwise connected with or complementary to its own, provided that this not be its primary activity. The Company may also engage in construction, purchase, sale, and management of real estate. The company purpose also includes the study, design, and execution of samples for shoes, apparel, and all accessories connected with shoes and apparel, perform market studies, and provide technical and commercial advice and expert consulting on trademarks and patents; for commercial or other purposes, it may also exploit trademarks (with special reference to: perfumes, essential oils, hair lotions, cosmetics, toothpaste, and soap; cutlery, razors; sunglasses and spectacles, their components and accessories; watches and chronometers, as well as their components and accessories; jewelry and costume jewelry; writing and stationery items, office sets, catalogues, magazines, and other periodic publications; tiles, ceramics, frames, and glass for furnishing; furniture and related components and accessories, mirrors and objects for the home; kitchen utensils and objects, their components and accessories, porcelain, faience, and glass objects; fabrics and linens for the home; creation, organization, and management of commercial establishments for the sale of all products included in the company object), patents, and industrial and managerial know-how. The Company may carry out all securities, real estate, and financial transactions relevant to the company purpose, including, merely by way of example, the execution of loans with legally authorized banks and private companies and firms. The activities reserved to persons entered on professional registers, the activities set forth in Article 106 of Legislative Decree no. 385/1993 vis-à-vis the public, and those activities that are otherwise in conflict with applicable laws and regulations are expressly excluded.

**Article 3**

The registered office of the Company is located in S. Elpidio a Mare.

**Article 4**

The Memorandum of Association envisages that the Company will expire on 31 December 2100. The Shareholders’ Meeting may extend this term or resolve on early dissolution of the Company.

**SHARE CAPITAL – SHARES – BONDS**

**Article 5**

The share capital totals sixty-six million, one hundred and eighty seven thousand, seventy eight (66,187,078) euros, divided into thirty-three million, ninety three thousand, five hundred and thirty nine (33,093,539), which are all of no par value, and has been fully subscribed and paid in.

**Article 6**

The capital can also be increased, with a resolution by the extraordinary shareholders’ meeting, by means of contributions of goods in kind or receivables.

Newly issued shares can have rights different from those of the previously issued shares. The issuance of new ordinary shares or shares with different rights that have the same characteristics as those of the classes already in circulation, do not require further approval by the special shareholders’ meetings representing the different classes of stock.

The option may be excluded or limited in the cases envisaged by law, as well as within the limits of ten per cent of the existing share capital, and always in compliance with the terms and conditions envisaged by law.

The extraordinary shareholders' meeting may delegate authority to the Board of Directors to increase the capital, even with exclusion of the option, in compliance with applicable laws and regulations.

#### Article 7

The shares are registered and, if fully released, can be converted to bearer stocks or vice-versa, if not prohibited by law.

Each share is indivisible and grants the right to one vote, unless the Shareholders' Meeting has resolved to issue shares without voting rights or with limited voting rights.

The shares are freely transferable.

Notwithstanding the above provisions, each share gives the right to a double vote (i.e. two votes per share) if both the following conditions are fulfilled: (a) the same person has possessed the share, by virtue of a real right legitimating the exercise of voting rights (full ownership with voting rights or bare property with voting rights or usufruct with voting rights), for an uninterrupted period of not shorter than twenty-four months ; (b) the shares registered in the special list that has been opened for the purpose referred to in (a) are certified as having been in the shareholder's uninterrupted possession for a period of not shorter than twenty-four months, which is regulated by this article (the "Special List"). ~~as well as in a specific notice from the broker stating the period which has elapsed since they were first registered, pursuant to the regulations in force.~~

The acquisition of the increased voting rights comes into effect **on the date earlier between (i) the fifth trading day of the calendar month following that** in which the conditions laid down in the Articles of Association for obtaining the increased voting rights have been fulfilled; ~~and (ii) the record date of a Shareholders' Meeting (if any), set in accordance with the regulations in force, following the date on which the conditions laid down in the Articles of Association for obtaining the increased voting rights have been fulfilled.~~

The Company opens and keeps the Special List, in the manners and with the contents required by applicable regulations, at its registered office. Shareholders who intend to enjoy increased voting rights must register their stock in this Special List. Rightful owners of shares pursuant to this article must submit an application in order to register their stock in the Special List, supporting the application with a notice which certifies their possession of the shares, which may also concern only a portion of the shares held by the owner – to be issued by the broker with which the shares are deposited pursuant to the regulations in force. They may also apply for increased voting rights only to be assigned to a part of their stock. Applications presented by holders other than natural persons must state whether the holders are subject to the direct or indirect control of third parties and the particulars of the controlling entity (if any).

The Special List is updated by the Company by the fifth trading day from the end of each calendar day and, in any case, by the record date set in the current regulations in relation to the right to attend and vote at shareholders' meetings.

The Company removes Shareholders from the Special List in the following circumstances:

- (i) waiver on the Shareholder's part;
- (ii) communication from the Shareholder concerned showing that the conditions for being assigned increased voting rights are no longer fulfilled, or that he has lost title to real legitimate right and/or related voting right;
- (iii) ex officio if the Company learns that circumstances have arisen which result in the Shareholder's no longer satisfying the requirements for increased voting rights or the loss of title to real legitimate right and/or related voting right.

Increased voting rights lapse:

- a) if the shares involved are transferred for valuable consideration or free of charge, it being understood that "transfer" must also be interpreted as including the creation of a pledge, an usufruct or any other restriction on the share which entails the Shareholder's loss of voting rights;
- b) if controlling interests are transferred, either directly or indirectly, which are held in companies or entities that hold shares with increased voting rights in an amount exceeding the threshold set out in Article 120, paragraph 2, of Legislative Decree 58 of 24 February 1998.

Increased voting rights:

- a) are preserved in the event of succession by the heir and/or legatee as a result of decease;
- b) are preserved in the case of merger or demerger of the holder of the shares in favour of the company resulting from the merger or the beneficiary of the demerger;

- c) are extended proportionally to newly-issued shares in case of capital increases pursuant to Article 2442 of the Italian Civil Code and capital increases through new contributions made in exercising rights of option;
- d) may also be assigned to shares allocated in exchange for those to which increased voting rights have been granted, where it is required by the related plan of merger or demerger;
- e) are preserved in the case of the transfer of the UCIs managed by the same person from a portfolio to another one.

In the cases referred to in letters (c) and (d) of the paragraph above, new shares acquire increased voting rights if they are:

- (i) newly-issued shares to which the holder is entitled in relation to shares for which increased voting rights have already been earned in that they have been registered in the Special List, without it being necessary to start counting the period of possession again from the beginning;
- (ii) newly-issued shares to which the holder is entitled in relation to shares for which increased voting rights have not yet been earned (but which are being earned) in that the period of possession starting with their registration in the Special List is running.

Shareholders who are entitled to increased voting rights may always waive their rights irrevocably (in whole or in part) at any time, by a written notice to be sent to the Company; it is understood that they may re-acquire increased voting rights for the shares whose rights they have waived by registering them in the Special List again and waiting for at least the full 24-month period of possession to elapse.

Increased voting rights should count towards the quorum for the constitution of the Shareholders' Meeting and for resolutions regarding share capital quotas, while they should have no effect on rights, other than voting rights, to which Shareholders are entitled by virtue of the possession of certain capital quotas.

For the purposes of this article, the concept of control is that required by the regulations on listed issuers.

#### **Article 8**

The Company may issue bonds and equity financial instruments, either in the form of bearer or registered securities, in compliance with the provisions of law.

#### **Article 9**

The Extraordinary Shareholders' Meeting may delegate authority to the Board of Directors to resolve, once or several times, on issuance of bonds convertible into shares, in compliance with the provisions of law.

### **SHAREHOLDERS' MEETING**

#### **Article 10**

The General Shareholders' Meeting represents all shareholders, and its resolutions, passed in compliance with the law and these Articles of Association, are binding on all shareholders.

The Ordinary Shareholders' Meeting must be called at least once annually. Since the Company is required to draft consolidated financial statements, the Shareholders' Meeting for approval of the financial statements may be called within 180 days after closure of the fiscal year.

#### **Article 11**

Without prejudice to the powers of call envisaged by specific provisions of law, the shareholders' meeting must be called by the directors in a call of meeting that indicates the date, time, and location of the meeting and the matters to be discussed, as well as the additional information prescribed, in accordance with the applicable legislation, also regulatory provisions.

The call of meeting must be published in accordance with the terms and conditions of law.

Ordinary and Extraordinary Shareholders' Meetings, at the discretion of the Board of Directors, may be convened in single call pursuant to Article 2369, paragraph 1, of the Italian Civil Code, or in more than one call, pursuant to Article 2369, paragraphs 2 and ff., of the Italian Civil Code. Should the notice of call of the meeting not mention subsequent calls, the meeting is understood as being convened in single call pursuant to Article 2369, paragraph 1, of the Italian Civil Code.

The Shareholders' Meeting may be convened on a third call pursuant to law if a quorum fails to meet on the second call as well.

The Shareholders' Meeting may also be called at a place other than the registered office of the company.

In the call of meeting, the Directors will have the right to envisage that the Shareholders' Meeting also be held in the form of a conference call and videoconference, with indication of the sites with audio and video hook-ups provided by the company, at which the participants may appear. In any event, the following must be allowed:

- the chairman of the meeting, either through his own office as chairman or otherwise, may ascertain the identity and qualification of the participants to attend, moderate the proceedings, confirm and proclaim the results of voting;
- the person who records the minutes may adequately perceive the meeting events being recorded;
- the persons attending the meeting can participate in the discussion and simultaneous voting on the matters set forth in the agenda.

The meeting will be considered held in the place where the ~~chairman and~~ person recording the minutes ~~is~~are located.

#### **Article 12**

The right to attend and representation at the Shareholders' Meeting are governed by law and applicable regulations. The Meeting may be attended by every party that has voting rights and for whom the Company has received the communication – in accordance with current legislation, also regulatory provisions – duly prepared by the intermediary, in accordance with the own accounting entries. The Chairman of the Shareholders' Meeting, who may avail himself of specially delegated assistants, is responsible for confirming the right to attend the Shareholders' Meeting and settle any disputes.

#### **Article 13**

Every shareholder that has the right to participate may be represented by a proxy at the Shareholders' Meeting, as envisaged by law and may also grant the proxy via electronic means in accordance with the legislation – also regulatory provisions – as applicable from time to time.

The proxy can be notified to the Company also by means of certified e-mail, to the certified e-mail address indicated in the notice of the Shareholders' Meeting, in compliance with the legislation – also regulatory provisions – as applicable from time to time.

The Company does not designate representatives on whom the Shareholders may confer a power of attorney with voting instructions.

#### **Article 14**

The Shareholders' Meeting will be chaired by the Chairman of the Board of Directors, or, in his absence, by the Vice Chairman, if appointed, or, in the absence of this latter, by a person designated by the Shareholders' Meeting itself.

The Shareholders' Meeting will designate a Secretary, who may be a non-shareholder, and if necessary, two or more vote counters, who may be non-shareholders, or chosen from amongst the shareholders or Statutory Auditors.

#### **Article 15**

The provisions of law shall apply in order for the convening and resolutions of the Ordinary and Extraordinary Shareholders' Meetings to be valid, even on a second or eventual third call. The members of the Board of Directors and of the Board of Statutory Auditors will be elected in accordance with the terms and conditions set forth respectively in Articles 17 and 27 of these Articles of Association.

#### **Article 16**

The resolutions passed by the Shareholders' Meetings will be confirmed by the minutes signed by the Chairman and the Secretary. In the cases envisaged by law and when the Chairman deems fit, the minutes shall be drafted by a notary public chosen by the Chairman.

### **BOARD OF DIRECTORS**

#### **Article 17**

The Company is managed by a Board of Directors that will have from three to fifteen members, with the exact number to be set by the Shareholders' Meeting. Regardless, the composition of the Board of Directors must guarantee gender balance, in compliance with applicable statutory and regulatory provisions.

The directors may not be appointed for more than three financial years and may always be re-elected. The Company's directors shall be elected from slates of nominees submitted by shareholders, in compliance with applicable statutory and regulatory provisions governing gender balance. Shareholders representing a percentage of share capital at least equivalent to that determined by Consob pursuant to applicable laws and regulations shall be entitled to submit slates of nominees. On penalty of disqualification, each nominee may appear on only one slate. All the nominees on the slates must satisfy the requirements established by law, these Articles of Association or other provisions applicable to their assumption of office (without prejudice to any and all other causes of disqualification or ineligibility). No slate may contain more than fifteen (15) nominees, listed in sequential order. At least two nominees, standing always at the second and seventh positions in each list, must meet the requirements of independence imposed under article 147 *ter* of Legislative Decree no. 58/98 (as amended). The slates submitted by shareholders must be filed at the Company's registered offices by the applicable statutory and regulatory deadlines. The following documents must also be filed together with each slate at the Company's registered offices: (1) specific certification by an authorized intermediary as defined under law, attesting the ownership of the number of shares necessary to submit slates of nominees; (2) a *curriculum vitae* for each candidate setting forth an exhaustive description of his or her personal and professional qualifications; (3) declarations issued by each candidate attesting that they accept their nomination and further attesting, under their own responsibility and on penalty of exclusion from the slate, that there is no reason why they should be disqualified, that they satisfy the requirements set forth under law and these Articles of Association for assuming the position of company director, and that they satisfy the independence requirements established by law for members of the board of statutory auditors. The relevant certificate issued by the intermediary providing proof of ownership of the number of shares required to submit the slates of nominees may also be submitted after the list has been filed, provided the submission is made by the deadline set for publication of the slates by the Company. For **six** consecutive terms beginning with the first time that the new Board of Directors is elected after **1<sup>st</sup> January 2020**, each slate containing three or more nominees must be composed in such a way as to guarantee that the gender balance of the Board of Directors satisfies the minimum quota required by applicable statutory and regulatory provisions. Slates that do not comply with the aforesaid provisions shall be deemed as never having been submitted. The Board of Directors shall be elected in accordance with the following procedure:

- a) all the directors but one shall be drawn from the slate obtaining the highest number of votes cast by shareholders, in the same sequential order in which they appear on that slate;
- b) the remaining director shall be drawn from the slate that obtains the second highest number of votes and that is not linked in any way, either directly or indirectly, with the shareholders who submitted or voted in favor of the slate that obtained the highest number of votes.

If, upon conclusion of voting, the composition of the Board of Directors does not satisfy the gender balance enjoined by applicable laws and regulations, the nominee of the most highly represented gender who was the last to be elected in the sequential order of the slate that received the highest number of votes shall be replaced by the first candidate of the least represented gender who was not elected on the same slate, in the sequential order of that slate, without prejudice to satisfaction of the minimum number of legally qualified independent directors. The elected nominees shall be replaced in the same manner until the composition of the Board of Directors complies with applicable laws and regulations. If this procedure does not guarantee the final result indicated hereinabove, the Shareholders' Meeting shall make the necessary changes by resolution with the statutory majority of votes. If only one slate of nominees is submitted or qualified for election, all the nominees on that list shall be elected to the board in the sequential order in which they appear on that slate. If necessary, the procedure described in the preceding paragraph shall be applied. If the directors cannot be elected by means of slate voting, the Shareholders' Meeting shall ignore the procedure described hereinabove and elect them by resolution with the statutory majority of votes, in compliance with the applicable statutory and regulatory provisions governing gender balance.

## Article 18

If one or more director seats should be vacated during the year, they shall be filled pursuant to law, in compliance with the provisions governing the composition of the Board of Directors established by law and Article 17 of these Articles of Association.

If the majority of Directors appointed by the Shareholders' Meeting should leave office due to resignation or other reasons, those remaining in office must call the Shareholders' Meeting to fill the vacant seats, in compliance with the provisions governing the composition of the Board of Directors established by law and Article 17 of these Articles of Association.

#### **Article 19**

The Board of Directors elects a Chairman from amongst its members and possibly a Vice Chairman. It may appoint a Secretary, who need not be a member of the Board of Directors. The Chairman holds office for the entire term of the Board of Directors and may be re-elected.

#### **Article 20**

The Board of Directors normally meets at the registered office of the Company or elsewhere once every two months and whenever the Chairman deems it necessary, or if a written and justified request therefor has been submitted by at least two of the members of the Board itself.

#### **Article 21**

Without prejudice to the powers of call envisaged by specific provisions of law, the Board of Directors is convened by the Chairman.

The call of meeting is made by sending a letter via registered mail with return receipt, telegram, fax, electronic mail, or an equivalent means that provides proof of receipt, to each Director and Statutory Auditor at least five business days before the meeting date.

In urgent cases, the deadline for sending the call of meeting to each Director and Statutory Auditor is reduced to two days before the meeting.

#### **Article 22**

A majority of the current members of the Board of Directors must be in attendance in order for its resolutions to be valid. The resolutions are approved by an absolute majority of those present, and in the event of a tie, the vote cast by the person chairing the meeting decides the issue.

The Board of Directors meetings will be duly assembled even when they are held by conference call or videoconference, on condition that all participants can be identified by the Chairman and the other participants, that they can follow the discussion, participate in the discussion in real time, receive documents and send them. In this case, the Board of Directors is considered held in the place where the ~~Chairman and Secretary~~ **is** ~~are~~ located.

#### **Article 23**

The members of the Board of Directors are owed reimbursement of their expenses, including those incurred for their activity as members of the Executive Committee, if established, and annual compensation in the amount set by the Shareholders' Meeting, without prejudice to the provisions of Section 2389, paragraph three Italian Civil Code.

#### **Article 24**

The Board of Directors is vested with the broadest powers for ordinary and extraordinary management of the Company, without limit, with the power to perform all those acts that it deems appropriate for implementation and achievement of the company purpose, excluding only those reserved by law to the Shareholders' Meeting.

The Board of Directors, either directly or through its Managing Directors, and the Executive Committee, if appointed, report to the Board of Statutory Auditors on the activity performed and transactions of greatest economic and financial significance executed by the Company or its subsidiaries, with special reference to the transactions in which they have an interest, on their own behalf or third parties, or that are influenced by

the person that exercises management and coordination. The report is made by the directors at the Board of Directors and Executive Committee meetings, if appropriate, and at least once quarterly.

If special circumstances so entail, the report may also be made by means of a summary written memorandum addressed to the Chairman of the Board of Statutory Auditors.

The Board of Directors is responsible for resolving on merger in the cases set forth in Sections 2505 and 2505 bis Italian Civil Code, the opening and closing of branch offices, capital reductions if Shareholders withdraw, amendment of the Articles of Association in compliance with laws and regulations, and move of the registered office on national territory.

#### **Article 25**

In order to execute its resolutions and manage the company, the Board of Directors may: (a) establish an Executive Committee, defining its powers, the number of its members, and its operating terms and conditions, (b) delegate the appropriate powers, defining the limits of the delegation of authority, to one or more Managing Directors, (c) appoint a Management Committee, whose members may including individuals that do not have a seat on the Board of Directors, defining its composition, duties, and terms and conditions, (d) appoint one or more general managers, defining their duties and powers, and (e) appoint managers and attorneys-in-fact, and agents in general, to perform specific acts or categories of acts or for specific operations.

Nevertheless, the Board of Directors is reserved the exclusive prerogative, in addition to the duties that cannot be delegated pursuant to law, of (i) defining the general policy for management and organizational development, (ii) defining the rules for drafting and amendment of internal regulations and (iii) appointing and dismissing general managers.

Related parties transactions shall be carried out in accordance with the relevant procedures approved in compliance with the legislation – also regulatory provisions – as applicable from time to time.

In compliance with the provisions of the applicable law – also regulatory provisions – as applicable from time to time, the above mentioned procedures can provide, waiving the ordinary provisions of law, special conditions for the complexation of related parties transactions (i) in case of urgency and (ii) in case of urgency due to corporate crisis.

#### **Article 26**

The Chairman, or the person acting in his place, is the legal representative of the Company, with the power to file actions and motions in court and administrative proceedings at every level of jurisdiction, including actions brought before the Court of Cassation and on appeal, to appoint arbitrators, and to grant powers of attorney to lawyers and attorneys. The Chairman has the free power of signature for related acts.

Legal representation is also granted separately to the Vice Chairman, if appointed, as well as, within the limits of the powers granted to them, the Managing Directors and general managers, if appointed.

### **BOARD OF STATUTORY AUDITORS**

#### **Article 27**

The Board of Statutory Auditors is comprised by three standing auditors and two alternate auditors, who must satisfy the requirements set forth in applicable laws and regulations. Accordingly, their selection will reflect the matters and sectors of activities closely connected with those of the company as indicated in the company purpose, with particular reference to companies and entities operating in the industrial and manufacturing sectors, the luxury goods sector, design sector, marketing sector, intellectual property, and services in general. The Statutory Auditors hold office for three financial years and may be re-elected. Regardless, the composition of the Board of Statutory Auditors must guarantee gender balance, in compliance with applicable statutory and regulatory provisions. The Shareholders' Meeting that appoints the Statutory Auditors and the Chairman of the Board of Statutory Auditors shall determine the fee to be paid to them.

The standing auditors and alternate auditors shall be elected in accordance with the following procedures:

a) Shareholders representing a percentage of share capital at least equivalent to that determined by Consob for the election of directors pursuant to applicable laws and regulations, shall be entitled to submit slates of nominees listed in sequential order by number, filing this slate at the registered office of the Company by the

applicable statutory – and regulatory – deadline, on penalty of disqualification; each list must be accompanied by the information required pursuant to applicable statutory and regulatory provisions.

For **six** consecutive terms beginning with the first time that the new Board of Statutory Auditors is elected after **1<sup>st</sup> January 2020**, each slate containing three or more nominees must be composed in such a way as to guarantee that the gender balance of the Board of Statutory Auditors satisfies the minimum quota required by applicable statutory and regulatory provisions.

Slates that do not comply with the aforesaid provisions shall be deemed as never having been submitted;

b) no shareholder may submit or vote for more than one slate, even if he votes through a proxy or trust companies; shareholders belonging to the same voting block and/or which are parties to a shareholders' agreement applying to shares in the Company may not submit or vote for more than one slate, even if they vote through a proxy or trust companies;

c) no nominee may appear on more than one slate on penalty of disqualification; no nominee on any slate may hold directorships and executive appointments in excess of the applicable limits established by law and related implementing provisions;

d) if, upon expiry of the deadline specified at sub-indent a) hereinabove, only one slate has been filed, or the only filed slates are submitted by shareholders considered to be related parties pursuant to applicable statutory and regulatory provisions, further lists may be presented up to the subsequent deadline established by applicable laws and regulations. In that case the thresholds specified at sub-indent a) hereinabove shall be reduced by half.

The Board of Statutory Auditors is elected as follows:

a. two standing auditors and an alternate auditor are elected on the slate that received the greatest number of votes, in the sequential order that they were listed on it;

b. the third standing auditor and the second alternate auditor shall be elected on the slate that received the second highest number of votes, and that is in no way linked, directly or indirectly, with the shareholders who submitted or voted the slate that received the highest number of votes, in the sequential order in which they were listed on it.

If, upon conclusion of voting, the composition of the Board of Statutory Auditors as represented by its standing and alternate auditors does not satisfy the gender balance enjoined by applicable laws and regulations, the second standing auditor and/or the alternate auditor elected on the slate that received the highest number of votes shall be replaced, as applicable, by the next candidate for the same position but of the least represented gender who was listed on the same slate. If this procedure does not guarantee compliance with the laws and regulations applying to the composition of the Board of Statutory Auditors, the Shareholders' Meeting shall make the necessary changes by resolution with the statutory majority of votes.

The Chairman of the Board of Statutory Auditors shall be the standing auditor drawn from the list that obtained the second highest number of votes.

If a standing statutory auditor is replaced, the substitute auditor belonging to the same list as the person substituted will take over his position, without prejudice, if possible, to compliance with the laws and regulations applying to the composition of the Board of Statutory Auditors; if this substitution does not result in gender balance mandated by applicable laws and regulations, the Shareholders' Meeting must be called without delay to guarantee statutory compliance.

If the Chairman is replaced, the Chairmanship shall be assumed by the alternate auditor replacing the outgoing Chairman.

The Shareholders' Meeting called to replace the members of the Board of Statutory Auditors pursuant to law shall comply with the principle of minority representation, as well as with the applicable laws and regulations mandating gender balance.

The foregoing provisions regarding the election of members and the Chairman of the Board of Statutory Auditors shall not apply in the case of Shareholders' Meetings at which only one slate of nominees is submitted or voted; in these cases the Shareholders' Meeting shall pass the related resolutions by majority vote, in compliance with, inter alia, the applicable laws and regulations mandating gender balance.

In addition to the duties envisaged in applicable laws and regulations, the Board of Statutory Auditors has the right to express non-binding opinions on the information received from the Board of Directors in regard to the most significant economic, financial, and equity transactions executed by the Company or by subsidiaries, and in regard to related party transactions.

## **INDEPENDENT AUDITOR**



### **Article 28**

At the motion supported by due reasons of the Board of Statutory Auditors, the Shareholders' Meeting appoints the auditor of the books and financial statements in compliance with applicable laws and regulations.

## **DRAWING UP OF THE COMPANY'S ACCOUNTING DOCUMENTS**

### **Article 28 bis**

After having necessarily acquired the opinion of the Board of Statutory Auditors, the Board of Directors shall appoint an executive in charge of drawing up the Company's accounting documents and complying with the formalities imposed under applicable statutory and regulatory provisions, selecting the same from amongst executives with at least three years' professional experience in a managerial post in charge of accounting or administrative functions with a listed company or in any event a corporation with share capital of no less than one million euro.

## **FINANCIAL STATEMENTS AND ALLOCATION OF PROFITS**

### **Article 29**

The company financial year ends on 31 December of every year.

The Board of Directors drafts the financial statements by the deadlines and in compliance with the provisions of law.

### **Article 30**

Five per cent of the net income reported on the financial statements shall be allocated to the legal reserve until it equals one-fifth of the share capital.

The remaining amount will be used for distribution of dividends, unless the Shareholders' Meeting resolves to retain all or part of them or to allocate them to special reserves or provisions.

Uncollected dividends will revert in favor of the reserve, five years after the day on which they became collectible.

During the year, the Board of Directors may distribute advances on the dividend to the shareholders.

## **WITHDRAWAL**

### **Article 31**

The right of withdrawal is specifically denied to those shareholders who did not vote in favor of resolutions regarding:

- extension of the duration of the company; and
- introduction, modification, or removal of restrictions on the circulation of shares.

If, in the case and in compliance with the terms and conditions envisaged by law, a shareholder exercises the right of withdrawal, until the company has shares listed on regulated markets, the liquidation value of its shares will be determined by referring exclusively to the arithmetic average of the closing prices of the market during the six months that precede publication of the notice of call of the Shareholders' Meeting, whose resolutions justified the withdrawal; if the company ceases to have shares listed on regulated markets, the liquidation value of its shares will be determined by the directors, after consulting with the Board of Statutory Auditors and the Independent Auditor, considering the market value of the shares and the assets of the company.

## **DISSOLUTION AND LIQUIDATION**

### **Article 32**

If the company should be dissolved at any time and for any reason, the rules for liquidation and appointment of the liquidator or liquidators will be determined by the Shareholders' Meeting, in compliance with the provisions of law.

## **GENERAL PROVISIONS**

### **Article 33**

Reference is made to the provisions of the Italian Civil Code and applicable statutes and regulations for those matters not expressly envisaged in these Articles of Association.