



## **BY-LAWS OF "GESTORE DEI MERCATI ENERGETICI S.P.A."**

### **TITLE I: INCORPORATION - NAME - REGISTERED OFFICE AND DURATION**

#### **ARTICLE 1**

1.1 The provisions of these By-Laws shall govern the Company incorporated under the name of "Gestore dei Mercati Energetici S.p.A." as per Article 5, para. 1 of Legislative Decree no. 79 of 16 March 1999.

1.2 The name of the Company may be used in the shortened form: "GME S.p.A.".

#### **ARTICLE 2**

2.1 The Company's registered office shall be located in Rome.

2.2 The Board of Directors may resolve upon the transfer of the Company's registered office to another Italian location.

2.3 The Board of Directors may resolve upon the opening and closing of branch offices in Italy and abroad in compliance with the applicable legislation.

#### **ARTICLE 3**

3.1 The Company shall remain in existence until 31 December 2100. The Shareholders' Meeting may resolve upon the extension of this term once or more than once.

## **TITLE II: PURPOSES OF THE COMPANY**

### **ARTICLE 4**

4.1 The Company's purposes shall be the economic management of the Electricity Market as per Article 5 of Legislative Decree no. 79 of 16 March 1999, as subsequently amended and/or supplemented, the economic management of the natural-gas market as per Article 30 of Law no. 99 of 23 July 2009, as well as the management of the mineral-oil logistics market and of the wholesale market of liquid oil products for transport uses as per Articles 21 and 22 of Legislative Decree no. 249 of 31 December 2012.

To this end, the Company may carry out any activities as may be related to, instrumental for, similar or complementary to or otherwise useful for attaining its purposes, namely:

#### Electricity Market

- organising the Electricity Market under criteria of neutrality, transparency, objectivity and competition between or among producers, ensuring - among others - the economic management of an adequate availability of reserve capacity;
- issuing the market rules under criteria of neutrality, transparency, objectivity and competition between or among producers, determining its own duties in terms of balancing of demand and supply and the obligations falling on electricity producers and importers not availing themselves of the provisions of Article 6 of Legislative Decree 79/1999;
- managing electricity supply offers and demand bids and all the related services;
- conducting any other activities, fulfilling any other responsibilities and exercising any other rights and powers with which it is vested under Legislative Decree no. 79 of 16 March 1999, as subsequently amended and/or supplemented, and under any secondary legislation arising therefrom.

#### Natural-Gas Market

- organising the Natural-Gas Market under criteria of neutrality, transparency, objectivity and competition;
- issuing the natural-gas market rules;
- managing natural-gas supply offers and demand bids and all the related services under economic merit criteria;
- conducting any other activities, fulfilling any other responsibilities and exercising any other rights and powers with which it is vested under Law no. 99 of 23 July 2009, as subsequently amended and/or supplemented, and under any secondary legislation arising therefrom;

#### Mineral-Oil Logistics Market

- organising the Mineral-Oil Logistics Market, under criteria of neutrality, transparency and competition for the meeting of supply and demand of mineral- oil logistics, where to make known and negotiate available logistic capacities in the short, medium and long term, with the related economic conditions

and taking into account the related functional constraints, through standardised models;

- issuing the mineral-oil logistics market rules;

- conducting any other activities, fulfilling any other responsibilities and exercising any other rights and powers with which it is vested under Article 21 of Legislative Decree no. 249 of 31 December 2012, as subsequently amended and/or supplemented, and under any secondary legislation arising therefrom;

Wholesale Market of Liquid Oil Products for Transport:

- organising the Wholesale Market of Liquid Oil Products for Transport, under criteria of neutrality, transparency and competition for the meeting of wholesale supply and demand of liquid oil products for transport uses, also in coordination with the mineral-oil logistics market platform;

- issuing the rules of the wholesale market of liquid oil products for transport;

- conducting any other activities, fulfilling any other responsibilities and exercising any other rights and powers with which it is vested under Article 22 of Legislative Decree no. 249 of 31 December 2012, as subsequently amended and/or supplemented, and under any secondary legislation arising therefrom;

As part of the economic management of the Electricity Market, the Company shall also organise and manage:

- a venue for the trading of Green Certificates in compliance both with Article 6 of the Ministerial Decree of 11 November 1999, as subsequently repealed and superseded by the Ministerial Decree of 24 October 2005, in turn repealed and superseded by the Ministerial Decree of 18 December 2008, and with Article 2 of the Ministerial Decree of 14 March 2003, issuing the related rules of operation as part of the Electricity Market Rules;

- a venue for the trading of Energy Efficiency Certificates as per Article 10, para. 3 of the Ministerial Decrees of 20 July 2004, issuing the related rules of operation in consultation with “Autorità di Regolazione per Energia Rete e Ambiente” (AEEG, the Italian electricity & gas regulator).

Without prejudice to the explicit provisions hereof, the Company may:

- organise and manage venues for the trading of environmental or energy certificates or other instruments of a compulsory or voluntary nature and issue the related rules of operation, as well as promote and/or co-operate in the development of the same venues;

- in compliance with Article 27, para. 1 of Law no. 99 of 23 July 2009 and with the Guidance issued by the Minister of Economic Development on 29 October 2009 and under the co-ordination of its parent company, provide support for specialist services on energy matters falling under its responsibility to the Public Administrations referred to in Article 1, para. 2 of Legislative Decree no. 165 of 30 March 2001, as subsequently amended;

- co-operate with the company managing the regulated market of electricity derivatives in order to study the integration of such market with its Forward Electricity Market (MTE) with physical delivery, under Article 10, para. 6 of the Decree issued by the Minister of Economic Development on 29 April 2009;

- organising and manage data reporting platforms and platforms for the publication of confidential

information to allow all the parties that demand it to fulfil the obligations set out in Articles 4 and 8 of (EU) Regulation No. 1227/2011 of the European Parliament and of the Council of 25 October 2011 on the integrity and transparency of wholesale energy market;

- performing those services concerning the fulfilment of the obligations set out in Articles 4 and 8 of (EU) Regulation No. 1227/2011 of the European Parliament and of the Council of 25 October 2011 on the integrity and transparency of wholesale energy market.

4.2 In order to attain its purposes, the Company may:

- acquire interests and holdings in companies and enterprises carrying out activities in sectors connected with, instrumental for or otherwise pertaining to its own business or to its parent company's business, or enabling the Company to make a better use of its own resources and/or structures; however, the Company shall be strictly forbidden from acquiring holdings from the public;

- perform any necessary, instrumentally useful or otherwise related operations, including but not limited to: posting of real and/or personal securities for its own obligations; personal property, real estate, business and financial transactions; loans and any other operations as may be connected with its purposes or enabling the Company to better use its own structures and/or resources, within the limits of the applicable laws.

### **TITLE III: DOMICILE OF SHAREHOLDERS**

#### **ARTICLE 5**

5.1 The domicile of each shareholder for the purposes of his/her relations with the Company shall be as specified in the Company's records.

### **TITLE IV CAPITAL - SHARES – BONDS**

#### **ARTICLE 6**

6.1 The share capital is € 7,500,000.00 (seven million five hundred thousand/00), divided into 7,500,000 ordinary shares of nominal € 1.00 each.

#### **ARTICLE 7**

7.1 The shares shall be registered shares.

7.2 The shares cannot be divided and each share shall carry one vote.

7.3 The status of shareholder shall, by itself, imply acceptance hereof

## **ARTICLE 8**

8.1 Where, for any reason, a share is owned by multiple shareholders, the rights attached thereto shall only be exercised by a single person or a representative of all the joint owners.

## **ARTICLE 9**

9.1 The Shareholders' Meeting may resolve upon any capital increase and set the terms, conditions and procedures thereof. In order to increase the Company's capital, contributions in the form of assets in kind and assignment of credits shall be allowed.

## **ARTICLE 10**

10.1 Extraordinary Shareholders' Meetings may grant Directors the power to issue convertible bonds once or more than once, until reaching a given amount and for a maximum period of five years beginning on the date of adoption hereof. In this case, the delegation shall include the one pertaining to the corresponding increase of the Company's share capital.

## **TITLE V: SHAREHOLDERS' MEETING**

### **ARTICLE 11**

11.1 As a rule, General and Extraordinary Shareholders' Meetings shall be held at the Company's registered office, unless otherwise resolved upon by the Board of Directors and provided that the place of the meeting is in Italy.

11.2 The General Shareholders' Meeting shall be convened at least once a year to approve the financial statements, within one hundred and twenty days of the closing of the financial year. When special reasons so require and considering the Company's responsibilities under the applicable legislation, the General Shareholders' Meeting may be convened within one hundred and eighty days of the closing of the financial year.

11.3 General and Extraordinary Shareholders' Meetings may take place even if their participants are physically located in multiple places, whether adjacent or distant, provided that such places are connected between them via audio and video systems, that the collegial decision-making method is used and that:

a) the Chairperson of the Shareholders' Meeting can carry out the activities referred to in Article 12

below;

b) the Chairperson and the record-keeper can adequately perceive the events of the Shareholders' Meeting to be recorded in the minutes;

c) participants can take part in the debate in real time and simultaneously vote on the items of the agenda, as well as send, receive and examine documents;

In the case referred to in this paragraph, the Chairperson of the Shareholders' Meeting and the record-keeper shall be simultaneously located in the same place; the Shareholders' Meeting shall be deemed to be held in such place. In fulfilling his/her duties, the Chairperson of the Shareholders' Meeting may be supported by one or more assistants, located in each of the audio- and video-connected places. The record-keeper shall have a similar option for the performance of his/her duties.

11.4 Postal voting is permitted.

11.5 The Shareholders' Meeting is called by the Board of Directors, at the Company's registered office or elsewhere in Italy, by notice - including the date, time and place of the meeting and the list of topics to be discussed – sent through means guaranteeing proof of receipt at least fifteen days before the date set for the meeting. In urgent cases, this period may be reduced to eight days before the meeting.

11.6 The Shareholders' Meeting is still valid, regardless of the abovementioned formalities, if the entire share capital is represented and the majority of members of the Board of Statutory Auditors and the Board of Directors is present.

## **ARTICLE 12**

12.1 The Chairperson of the Shareholders' Meeting shall verify the quorum and validity of the meeting, the identities of participants and their rights to attend, speak and vote. The Chairperson shall conduct the meeting and verify the results of the voting; the minutes shall record the results of such verifications.

## **ARTICLE 13**

13.1 The Shareholders' Meeting shall be chaired by the Chairperson of the Board of Directors or, where he/she is unable to attend or act, by the Deputy Chairperson, where appointed, or by any other person as may be designated by the Shareholders' Meeting.

13.2 The Chairperson of the Shareholders' Meeting shall be supported by a secretary designated by the Shareholders' Meeting; the secretary may also be selected among non-shareholders.

## **ARTICLE 14**

14.1 The Shareholders' Meeting shall resolve upon any matters under its responsibility as provided for in the applicable legislation.

14.2 As long as the Italian State directly or indirectly controls the Company as per Article 2359, I, para.

1 of the Italian Civil Code, the General Shareholders' Meeting may authorise the Board of Directors to confer management delegations upon the Chairperson.

14.3 Where required by the applicable legislation and whenever deemed necessary, the minutes shall be drawn up by a notary.

14.4 For the quorum and validity of General and Extraordinary Shareholders' Meetings and of their resolutions, reference shall be made to the applicable legislation.

14.5 The resolutions of the Shareholders' Meeting, adopted in compliance with the applicable legislation and with these By-Laws, shall be binding on all shareholders, even if not in attendance or dissenting.

14.6 The resolutions of the Shareholders' Meeting shall be recorded in the minutes signed by the Chairperson and by the secretary or notary.

## **TITLE VI: BOARD OF DIRECTORS**

### **ARTICLE 15**

15.1 The Company shall be managed, in compliance with the current law provisions, by a Sole Administrator or by a Board of Directors, consisting of three or five members, including the Chairperson. The membership of the Board of Directors shall ensure compliance with the applicable laws and regulations on gender equality.

When the management of the Company is entrusted to the Sole Administrator, the latter is entitled to the powers and faculties that this statute confer to the Board of Directors and the Chairperson, where not already expressly indicated in the Statute.

15.2 Directors shall be appointed for a term of office not exceeding three financial years. Their term of office shall expire upon the date of the Shareholders' Meeting convened to approve the financial statements pertaining to the last financial year of their term of office. Directors may be re-elected, pursuant to Article 2383 of the Italian Civil Code.

The taking-up or holding of the office of Director shall be subject to the following requirements:

1) Directors shall be selected on the basis of their professional competency among persons having acquired an overall experience of at least three years in carrying out:

i) administration and control activities or managerial tasks within companies; or

ii) professional assignments in legal, economic, financial or technical-scientific matters or university teaching of legal, economic, financial or technical-scientific disciplines related to or instrumental for business activities; or

iii) administrative or managerial tasks within publicly-owned entities or public administrations in sectors related to business activities, or tasks within entities or public administrations in sectors

unrelated to business activities, provided that such tasks have involved the management of economic-financial resources;

2) Any Director who has been entrusted (under Article 2381, para. 2 of the Italian Civil Code), on a continuing basis, with managerial tasks typical of the Board of Directors may hold the office of Director within “società per azioni” (joint stock companies) for no more than two additional terms. With a view to calculating the above limit, tasks carried out as Director within controlled or affiliated companies shall not be counted. Any Director who has not been entrusted with the aforesaid tasks may hold the office of Director within “società per azioni” for no more than five additional terms.

3) Any final or non-final judgement of conviction for any of the following offences shall constitute ground for ineligibility for the office of Director or disqualification from the office of Director for just cause, without any right to compensation for damages:

a) breach of rules governing the banking, financial, securities and insurance sector, as well as securities markets, securities and payment instruments;

b) breach of Title IX, Book V of the Italian Civil Code and of Royal Decree no. 267 of 16 March 1942;

c) breach of rules concerning offences against the public administration, the public’s faith, assets and ownership, public order, public economy or tax crimes;

d) breach of Article 51, para. 3-bis of the Italian Criminal Procedure Code, and of Article 73 of Decree of the President of the Republic no. 309 of 9 October 1990.

Other grounds of ineligibility shall be as follows: a decree instituting a judicial proceeding or a decree instituting immediate judicial proceedings for any of the offences referred to in subparas. a), b), c) and d) above, or a final judgement of conviction for ascertained fraud to the detriment of the State Treasury.

Any Director who, during his/her term of office, receives notice of a decree instituting a judicial proceeding or a decree instituting immediate judicial proceedings for any of the offences referred to in subparas. a), b), c) and d) above, or of a final judgement of conviction for ascertained fraud to the detriment of the State Treasury, shall immediately notify the Board of Directors thereof. The Board shall keep the matter confidential. At its first useful meeting or anyway within ten days of acquiring knowledge of the measures referred to in the first sentence, the Board shall verify the existence of one of facts specified therein and, within 15 days, convene a Shareholders’ Meeting to resolve upon the maintaining in office of the Director, and put forward a reasoned proposal for the relevant resolution; the proposal shall take into account any possible overriding interest of the Company in maintaining in office the Director. Where the Shareholders’ Meeting does not resolve upon the maintaining in office of the Director, the latter shall be automatically disqualified from office for just cause, without any right to compensation for damages.

Without prejudice to the previous paragraphs, any precautionary measure in personam that, as a result of the proceedings referred to in Article 309 or Article 311, para. 2 of the Italian Criminal Code or after the expiration of the time limits for instituting the same proceeding, prevents a person or Director from



exercising operational delegations shall constitute ground for ineligibility for the office of Director or for automatic disqualification from the office of Director for just cause, without any right to compensation for damages.

For the purposes of this provision, the judgement applying the penalty under Article 444 of the Italian Criminal Procedure Code shall be equated to a judgement of conviction.

With a view to implementing this Article, the Board of Directors shall verify the existence of the facts specified therein, with reference to the cases covered in full or in part by foreign legal systems, based on a substantial equivalence evaluation.

Any person not complying with these requirements shall be disqualified from office. The Board of Directors shall declare the disqualification within thirty days of the appointment or of acquiring knowledge of the supervening non-compliance.

When the management of the company is entrusted to the Sole Administrator, the Statutory Auditors shall perform the functions of the Council of Directors pursuant to the provisions referred to in this paragraph.

15.3 The Shareholders' Meeting may change the number of and appoint new members of the Board of Directors - even during their term of office - always within the limits of the first point of this Article. The Directors so appointed shall hold office for the same term as the Directors holding office upon their appointment.

15.4 Any vacancies occurring in the Board of Directors during a financial year shall be filled pursuant to Article 2386 of the Italian Civil Code. Failing the majority of the Directors, the whole Board shall be deemed to have resigned and a Shareholders' Meeting shall be urgently convened by the Directors remaining in office with a view to appointing the new Board.

The members of the Board of Directors shall be co-opted or appointed in compliance with the applicable legislation on membership of company bodies, as well as with the applicable legislation and regulations on gender equality.

## **ARTICLE 16**

16.1 After the Shareholders' Meeting has appointed the Board of Directors, the Board shall - in its first sitting and where the Shareholders' Meeting has not done so - elect a Chairperson from among its members.

16.2 The Board of Directors may also elect a Deputy Chairperson, who shall replace the Chairperson only if the Chairperson is unable to attend or act; in any case, this assignment shall not give rise to any additional remuneration.

16.3 At the proposal of the Chairperson, the Board shall appoint a secretary; the secretary may also be selected from outside the Company.

## **ARTICLE 17**

17.1 The Board of Directors shall meet in the place indicated in the notice of the meeting, whenever the Chairperson or, where the Chairperson is unable to attend or act, the Deputy Chairperson deems it necessary and, in any case, at least every three months, or whenever a written request therefor is made by either the majority of the Directors or by the Board of Auditors.

17.2 The meetings of the Board of Directors may also be held by using audiovisual and teleconferencing or similar telecommunications systems, provided that all participants can be identified and follow the debate on the items of the agenda in real time, as well as send and receive documents. Where such requirements are met, the meetings of the Board of Directors shall be deemed to be held in the place where the Chairperson is located and where also the secretary shall be located.

17.3 The notices of the meetings shall be sent by registered letter, telegram, fax or e-mail. The notice shall specify the date, time and place of the meeting, as well as the items on the agenda. The notice shall be sent to the domicile of each Director and each Auditor at least five days before the meeting or, for urgent reasons, at least twenty-four hours before the meeting.

The Board shall be validly constituted even if, failing the notice of the meeting, all the Directors and Auditors in office are present.

17.4 The Board of Directors shall also be convened at the written request of at least two Directors - or one Director if the Board consists of three members - in order to resolve upon any specific items as they may deem noteworthy and management-related. Said items shall be indicated in the above request.

## **ARTICLE 18**

18.1 The meetings of the Board of Directors shall be chaired by either the Chairperson or, where the Chairperson is unable to attend or act, by the Deputy Chairperson, where appointed. Failing the Deputy Chairperson, the meetings shall be chaired by the oldest-age Director.

## **ARTICLE 19**

19.1 The meetings of the Board of Directors shall be deemed valid when the majority of the Directors in office are in attendance.

19.2 The resolutions shall be adopted by majority of the votes cast by those in attendance. The Chairperson shall have a casting vote.

## **ARTICLE 20**

20.1 The resolutions of the Board of Directors shall be reported in the minutes which, once recorded in a special book kept in accordance with the applicable legislation, shall be signed by the Chairperson of the

meeting and countersigned by the secretary.

20.2 The copies of the minutes shall be deemed to bear full evidence if signed by the Chairperson of the meeting and by the Secretary.

## **ARTICLE 21**

21.1 The management of the Company shall be solely vested in the Directors, who shall perform any acts as deemed appropriate to achieve the Company's purpose.

The Board of Directors is also authorised to approve amendments to the By-laws in order to comply with regulatory provisions.

## **ARTICLE 22**

22.1 After the resolution adopted by the Shareholders' Meeting under para. 2, Article 14 hereof, the Board of Directors may confer management delegations upon the Chairperson - on matters specified by the Shareholders' Meeting - determining the actual content thereof.

22.2 Without prejudice to the provisions of the above paragraph, the Board of Directors may also - always within the limits of the applicable legislation - delegate part of its assignments to a single member, who will consequently be appointed as Chief Executive Officer. The remuneration referred to in para. III, Article 2389 of the Italian Civil Code shall only apply to such member and to the Chairperson, where the Chairperson has received the operational delegations mentioned in the above paragraph.

22.3 The Board of Directors may also delegate the performance of individual assignments to other members of the same Board, provided that such assignments do not involve any additional remuneration.

22.4 The Chief Executive Officer shall ensure that the organisational structure and the accounting system of the Company are consistent with its nature and size and shall report to the Board of Directors and to the Board of Auditors at least every three months on the general trend of the Company's business and on its predictable evolution, as well as on the most significant operations, in terms of size and characteristics, performed by the Company and by its controlled companies. The Chief Executive Officer's powers granted in accordance with Article 22.1 hereof shall include the power to confer delegations upon the Company's employees and upon third parties for the performance of individual assignments or categories of assignments.

22.5 The person in charge of internal auditing shall report to the Board of Directors or to a special Committee possibly established within the same Board.

## **ARTICLE 23**

23.1 The Chairperson of the Board of Directors shall have the power to act in legal representation of and to sign on behalf of the Company. Where the Chairperson is absent and/or unable to act, such power shall be exercised by the Deputy Chairperson, where appointed. The signature of the Deputy Chairperson shall bear evidence of the Chairperson's absence and/or inability to act towards third parties. The power to represent the Company shall also be exercised by the Directors by delegation, within the limits thereof.

23.2 The above legal representatives may grant powers to legally represent the Company, even in court; such powers shall include the power of conferring subdelegations.

## **ARTICLE 24**

24.1 The members of the Board of Directors shall receive a remuneration which shall be resolved upon by the Shareholders' Meeting. Once adopted, the resolution shall remain valid also for the following financial years, until otherwise resolved upon by the Shareholders' Meeting.

It is in any case forbidden to pay attendance allowances, performance bonuses upon completion of the activity and severance indemnity.

## **ARTICLE 25**

25.1 The Chairperson shall:

- a) define the agenda of the Board of Directors and co-ordinate its proceedings;
- b) ensure that all Directors and Auditors receive adequate information on the items of the agenda;
- c) monitor the implementation of the Board's resolutions.

## **TITLE VII: OFFICER IN CHARGE OF ACCOUNTING RECORDS (CHIEF FINANCIAL OFFICER)**

### **ARTICLE 26**

26.1 The Board of Directors shall - only after hearing the opinion of the Board of Auditors - appoint an officer in charge of the Company's accounting records, as set forth in Article 154bis of Legislative Decree 58/98. The term of office of such officer shall be at least equal to the term of office of the Board of Directors and not exceed six financial years.

26.2 The officer in charge of the Company's accounting records shall meet the same requirements of good repute as those applicable to the Directors.

26.3 The officer in charge of the Company's accounting records shall be selected among managers having professional competency and at least three years of administrative experience within consulting companies or professional firms.

26.4 The Board of Directors may - after hearing the opinion of the Board of Auditors - revoke the officer in charge of the Company's accounting records only for just cause.

26.5 Failure of the officer in charge of the Company's accounting records to comply with the requirements for the office shall result into his/her disqualification therefrom. The disqualification shall be declared by the Board of Directors within thirty days of acquiring knowledge of the supervening non-compliance.

26.6 The officer in charge of the Company's accounting records shall put in place adequate administrative and accounting procedures for preparing the financial statements of the Company and, where applicable, the consolidated financial statements.

26.7 The Board of Directors shall ensure that the officer in charge of the Company's accounting records has adequate powers and resources for fulfilling his/her duties and it shall monitor his/her compliance with administrative and accounting procedures.

26.8 The delegated bodies and the officer in charge of the Company's accounting records shall draw up a report to be enclosed to the financial statements of the Company and, where applicable, to its consolidated financial statements. In such report, they shall declare that the procedures referred to in Article 26.6 above are adequate, that such procedures have been actually applied in the financial year to which the aforesaid financial statements refer, that the financial statements reflect the Company's accounting records and that they provide a true and accurate representation of the financial position and results of operations of the Company and - in case of consolidated financial statements - of all the companies included in its scope of consolidation.

## **TITLE VIII: BOARD OF AUDITORS**

### **ARTICLE 27**

27.1 The Shareholders' Meeting shall appoint the Board of Auditors, consisting of three acting Auditors, including the Chief Auditor, and determine the remuneration thereof. The Shareholders' Meeting shall also appoint two alternate Auditors.

The membership of the Board of Auditors shall comply with the applicable relevant legislation and ensure gender equality in accordance with the applicable legislation, within the limits and under the procedures specified therein.

27.2 The Auditors shall hold office for three financial years. Their office shall expire upon the date of the Shareholders' Meeting convened to approve the financial statements for the third financial year of

their term of office. The outgoing Auditors may be re-elected.

27.3 The meetings of the Board of Auditors may also be held by using audiovisual and teleconferencing or similar telecommunications systems, provided that all participants can be identified and can follow the debate on the items of the agenda in real time, as well as send and receive documents. Where such requirements are satisfied, the meeting of the Board of Auditors shall be deemed to be held in the place where the Chairperson is located.

27.4 It is forbidden to pay attendance allowances to the members of the Board of Statutory Auditors.

## ***TITLE IX: LEGAL AUDITING OF ACCOUNTS***

### **ARTICLE 28**

28.1 The legal auditing of the Company's accounts shall be assigned to a legal auditing company included in the appropriate register. The Shareholders' Meeting shall appoint the legal auditing company on the basis of a reasoned proposal put forward by the Board of Auditors, determining its fees for the entire duration of the assignment and defining criteria, if any, for updating such fees during the assignment.

The assignment shall have a duration of three financial years and expire upon the date of the Shareholders' Meeting convened to approve the financial statements for the third financial year of assignment.

The assignment shall be renewable.

## ***TITLE X: FINANCIAL STATEMENTS AND INCOME***

### **ARTICLE 29**

29.1 The financial year shall close on 31 December of each year.

29.2 At the end of each financial year, the Board of Directors shall prepare the Company's financial statements in compliance with the applicable legislation.

### **ARTICLE 30**

30.1 Any dividends remaining unclaimed within five years of their payable dates shall be forfeited in favour of the Company and directly appropriated to reserve.

## **TITLE XI: DISSOLUTION AND WINDING-UP**

### **ARTICOLO 31**

31.1 In the event of dissolution of the Company, the Shareholders' Meeting shall determine the winding-up procedures, appoint one or more liquidators and determine their powers and remuneration.

## **TITLE XII: GENERAL PROVISIONS**

### **ARTICOLO 32**

32.1 The establishment of bodies different from those provided by the general rules of the Company is not permitted.

32.2 The setting-up of committees entrusted with advisory or proposing responsibilities – is permitted only if provided for by law. In the case of their setting-up, the members of such committees are not entitled to any remuneration exceeding the 30% of the amount determined for the office of Director, however in line with the professional qualification and with the level of the commitment required.

32.3 All matters not regulated hereby shall be governed by the Italian Civil Code and by the applicable special laws.

32.4 The provisions of Articles 15 and 27, aimed at ensuring compliance with the applicable laws and regulations on gender equality, shall apply for the first three renewals of the Board of Directors and of the Board of Auditors, respectively, after enforcement of the provisions of art. 2 of Decree no. 251 of the President of the Italian Republic of 30 Nov. 2012.