

ARTICLES OF ASSOCIATION

TITLE I

DEFINITIONS — INCORPORATION — NAME — REGISTERED OFFICE — DURATION

ARTICLE 1

1.1 For the purposes of the articles of association ("**Articles of Association**"), the following terms and expressions shall have the meaning assigned to them below or in other provisions of the Articles of Association:

- (a) "**Shareholders' General Meeting**" means the Shareholders' General Meeting, in ordinary or extraordinary form, pursuant to applicable legislation;
- (b) "**Chief Executive Officer**" and "**Chief Executive Officers**" has the meaning referred to in paragraph 21.1 of the Articles of Association;
- (c) "**Directors**" means the members of the Board of Directors appointed pursuant to the Articles of Association;
- (d) "**Independent Directors**" has the meaning set out in paragraph 17.5 of the Articles of Association;
- (e) "**Shares**" means shares representing the share capital of the Company;
- (f) "**Shareholders**" means the shareholders who hold shares in the Company;
- (g) "**Italian Civil Code**" means Italian Royal Decree no. 262 of 16 March 1942 and its subsequent amendments and/or supplements;
- (h) "**Board of Statutory Auditors**" has the meaning set out in paragraph 26.1;
- (i) "**Board of Directors**" has the meaning set out in paragraph 16.1;
- (j) "**Subsidiary**" and "**Subsidiaries**" mean, individually, each company directly or indirectly controlled by the Company and, jointly, the companies directly or indirectly controlled by the Company and any other company resulting from their transformation, merger or demerger;
- (k) "**Control**", "**to control**", "**controlling**", and "**parent**" are similar expressions indicating the relationships referred to in sub-paragraph 1 and paragraph 2 of Article 2359 of the Italian Civil Code, or the control relationships referred to in Article 93 of the TUF (*Testo Unico della Finanza* — Consolidated Law on Finance);
- (l) "**List of Majority Directors**" has the meaning referred to in paragraph 17.9(i) of the Articles of Association;
- (m) "**List of Minority Directors**" has the meaning referred to in paragraph 17.9(i) of the Articles of Association;
- (n) "**List of Majority Statutory Auditors**" has the meaning set out in paragraph 27.13(i)

of the Articles of Association;

- (o) **"List of Minority Statutory Auditors"** has the meaning referred to in paragraph 27.13(ii) of the Articles of Association;
- (p) **"Chair"** means the chairperson of the Board of Directors appointed pursuant to the Articles of Association;
- (q) **"Chair of the Board of Statutory Auditors"** means the chairperson of the Board of Statutory Auditors appointed within the meaning of the Articles of Association;
- (r) **"Related Parties"** has the meaning set out in Article 3.1(a) of the Related-Party Operations Regulation adopted by CONSOB with Resolution 17221 of 12 March 2010 as subsequently amended;
- (s) **"Statutory Auditors"** means the members, standing and alternate, of the Board of Statutory Auditors appointed in accordance with the Articles of Association;
- (t) **"Company"** means Italian Design Brands S.p.A. entered on the Milan Companies Register, tax code and VAT no. 09008930969;
- (u) **"TUF"** means the Italian consolidated law on financial mediation as provided for in Italian Legislative Decree no. 58 of 24 February 1998 and its subsequent amendments and/or supplements;
- (v) **"Vice-Chair"** means the vice-chairperson of the Board of Directors appointed pursuant to the Articles of Association.

1.2 In the Articles of Association, unless otherwise stated:

- (a) The term provision or law or regulation or legal provision or regulatory provision, or reference to any legislation indicates any law, decree or regulation of, or having force in, the Italian Republic, including Community regulatory provisions, as amended and supplemented on an individual basis;
- (b) References to the words included herein, contained herein, including or inclusive shall be deemed to be followed by the words by way of an example but not limited to;
- (c) The term person or party refers to natural persons, partnerships, limited companies, or any party with or without legal personality and any of their successors or assignees;
- (d) References to articles, paragraphs and numbering shall be understood as articles, paragraphs and numbering of the Articles of Association;
- (e) Any reference to one gender shall also include the other gender; the use of words in the singular shall also include the plural and vice versa, unless otherwise specified;
- (f) References to hours in a day are understood to be the current time in the territory of the Italian Republic.

ARTICLE 2

- 2.1 A share company is hereby incorporated, named: "Italian Design Brands S.p.A.", with or without full stops, without any graphical representation limits.

ARTICLE 3

- 3.1 The Company has its registered office in Milan (MI), Italy.
- 3.2 The Board of Directors may set up and remove branches and secondary offices, management and operational offices, agencies, representations and corresponding offices in Italy and abroad, as well as relocate the Company's registered office within Italy.

ARTICLE 4

- 4.1 The duration of the Company shall be until 31 December 2100 and may be extended, one or more times, by resolution of the extraordinary Shareholders' General Meeting.

TITLE II CORPORATE PURPOSE

ARTICLE 5

- 5.1 The purpose of the Company is to carry out, either directly and/or through the Subsidiaries, activities pertaining to the study, design, execution, production, assembly and marketing of fixtures and/or items and accessories for furnishing and illumination, and of fixtures, items and accessories for bathrooms, modular kitchens and/or offices, and/or for the home in general.
- 5.2 The Company may, in furtherance of the corporate purpose, engage in activities pertaining to (i) acquisition, by means of purchasing or subscribing, of shares or interests in companies, entities and undertakings in general; (ii) managing the holdings or interests held (directly or indirectly), including carrying out strategic and financial coordination and steering activities with respect to Subsidiaries; (iii) financing in any form whatsoever of Subsidiaries.
- 5.3 The Company may also, in furtherance of the corporate purpose, not primarily and not vis-à-vis the public, carry out any transaction concerning moveable and immovable property, commerce, industry, finance including (i) treasury management; (ii) the mobilisation and management of commercial receivables (excluding factoring); (iii) assistance and coordination services for the development and economic, administrative, organisational, commercial, contractual and financial planning of Subsidiaries; and (iv) the pursuit of commercial activities aimed at charging back costs and services common or beneficial to the Subsidiaries.
- 5.4 The Company may also lend sureties, endorsements and guarantees, whether collateral or personal, including to third parties, provided that they are in its own interest and/or in the interest of Subsidiaries. The Company may take out loans or other financing, over the short, medium and/or long-term, with banks and/or other financial companies, either Italian or

foreign, or with natural or legal persons, both Italian and foreign, even against the provision of personal and/or real guarantees.

- 5.5 The Company may (i) acquire capital or non-refundable payments from Shareholders, even without obligation to reimburse, or (ii) in accordance with the rules in force as and when applicable for the collection of savings from Shareholders, stipulate financing, in any form, with Shareholders, with an obligation to refund without interest, or (iii) acquire funds from Shareholders in another way, always with an obligation to refund.
- 5.6 All of the activities listed above must be carried out within the limits and in compliance with the legal provisions in force, and in particular excluding the exercise of activities reserved for those entered on professional registers, as well as the exercise, vis-à-vis the public, of any activity qualified by legislation in force, as and when applicable, as a financial activity.

TITLE III

CAPITAL — SHARES — CONTRIBUTIONS — WITHDRAWAL — OBLIGATIONS

ARTICLE 6

- 6.1 The share capital amounts to EUR 26,926,298.00 and is divided into 26,926,298 ordinary shares, with no indication of nominal value.
- 6.2 The Shareholders' General Meeting may grant the Board of Directors the power to increase the share capital in one or more tranches and to issue convertible bonds up to a specified amount and for a maximum period of five (5) years from the date of the resolution, by means of the necessary amendment to the Articles of Association.
- 6.3 In the event of an increase in capital, newly issued shares may be allocated in a non-proportional manner to the contributions, subject to the agreement of the Shareholders concerned and in compliance with applicable legislation.
- 6.4 The address for service of the Shareholders, as far as relations with the Company are concerned, shall be that resulting from the Shareholders Register, unless otherwise indicated in writing to the Board of Directors.
- 6.5 According to the second sentence of Article 2441, paragraph 4 of the Italian Civil Code, the Company may decide to increase its share capital, excluding option rights, by up to ten percent (10%) of the pre-existing capital, provided that the issue price corresponds to the market value of the shares and that this is confirmed in a report by a statutory auditor or auditing company.
- 6.6 It is permitted, in the manner and in the forms provided for by law, to assign profits to employees of the Company and/or Subsidiaries, by issuing, for an amount corresponding to the profits themselves, special categories of shares within the meaning of Article 2349, paragraph 1, of the Italian Civil Code. The share capital must be increased accordingly.

ARTICLE 7

- 7.1 The Shares are subject to the dematerialisation scheme pursuant to Article 83-*bis* et seq. of the TUF.
- 7.2 The Shares are freely transferable. Each Share confers entitlement to one vote. The rules governing the issuance and circulation of Shares are governed by legislation in force.
- 7.3 The obligation to bid provided for in Article 106, paragraph 3, section b) of the TUF does not apply under the provisions of paragraph 3-*quater* of said Article, where the conditions are met and for the period provided for by law.

ARTICLE 8

- 8.1 Contributions by Shareholders may involve sums of money, assets in kind or receivables, as decided by the Shareholders' General Meeting.
- 8.2 Shareholders may finance the Company by making interest-bearing or non-interest-bearing payments, in capital contributions or other forms, including through a repayment obligation, in accordance with legislation and regulations *pro tempore* in force.

ARTICLE 9

- 9.1 Shareholders have the right to withdraw from the Company in the cases and to the extent permitted by law.
- 9.2 As long as the Company Shares are listed on a regulated market, the liquidation value of the Shares will be determined in accordance with Article 2437-*ter* , paragraph 3, of the Italian Civil Code.
- 9.3 The right of withdrawal shall not apply to Shareholders who have not contributed to the approval of resolutions concerning the extension of the term of the Company and/or the introduction or removal of restrictions on Share circulation.

ARTICLE 10

- 10.1 The issuance of bonds shall be decided by the Board of Directors, except for the issuance of bonds convertible into Shares or otherwise warranted for the underwriting of Shares, which shall be decided by the extraordinary Shareholders' General Meeting, without prejudice to the right to delegate to the Board of Directors in accordance with legislation and regulations *pro tempore* in force.

TITLE IV SHAREHOLDERS' GENERAL MEETING

ARTICLE 11

- 11.1 The Shareholders' General Meeting shall be convened in accordance with the law, with a notice published on the Company's website and in the other manners provided for by legislation and regulations *pro tempore* in force.

- 11.2 The Shareholders' General Meeting may be convened, within the terms of the law, even outside the municipality in which the registered office is located, provided that it is in Italy, or even just in a telematic mode.
- 11.3 The power to convene the Shareholders' General Meeting is conferred, in addition to the Board of Directors, on the Chair or, in the absence or incapacity of the same, on the Vice Chair where appointed, or, in the absence or incapacity of the Chair and Vice Chair, on the most senior member of the Board, without prejudice to the power of the Board of Statutory Auditors, or at least two (2) members of the Board of Statutory Auditors to convene meetings, in accordance with Article 151 of the TUF and other applicable laws and regulations.
- 11.4 The ordinary Shareholders' General Meeting for the approval of the financial statements must be convened within one hundred and twenty (120) days of the end of the financial year, or, in a longer period applicable pursuant to the legal provisions in force.
- 11.5 The resolutions of the special meetings provided for in Article 2376 of the Italian Civil Code, necessary for approval of the resolutions affecting the rights of one or more classes of Shares, shall be validly adopted by the majority vote established by law.
- 11.6 The Shareholders' General Meeting shall be held in a single call, both for ordinary and extraordinary meetings. Moreover, the Board of Directors and also the Chair or, in the absence or incapacity of the same, the Vice Chair if appointed, or, in the absence or incapacity of the Chair and the Vice Chair, the most senior member of the Board may also convene the meeting in the first, second and third call as required by legislation, including regulations, *pro tempore* in force, setting out its terms in the meeting notice.
- 11.7 Where provided for by the Board of Directors, the Chair or, in the absence or incapacity of the same, the Vice Chair if appointed, or, in the absence or incapacity of the Chair and the Vice Chair, the most senior member of the Board, the ordinary and extraordinary Shareholders' General Meeting may be held with (i) the exclusive intervention of the designated representative referred to in Article 135-*undecies* of the TUF where permitted by, and in accordance with, legislation, including regulations, *pro tempore* in force and/or (ii) the participants located in several locations, contiguous or remote, connected by audio/video, provided that the plenary method and the principles of good faith and equal treatment of Shareholders as provided for in applicable legislation are respected, and in particular by way of example that: (a) the Chair of the Shareholders' General Meeting is able to ascertain the identity and legitimacy of the participants, to regulate the conduct of the meeting, to observe and to proclaim the results of the vote; (b) the person recording the meeting minutes is able to properly perceive the events recorded; (c) attendees are able to participate in the debate and vote simultaneously on the items on the agenda, including, where appropriate, by means of electronic voting; (d) the meeting notice indicates the audio/video locations linked by the Company through which attendees may participate, or the relevant remote access arrangements that allow only to those entitled to do so to participate.

- 11.8 If a connection is not possible at the time scheduled for the start of the Shareholders' General Meeting, the Shareholders' General Meeting will be invalid and must be reconvened; if, during the Shareholders' General Meeting, the connection is suspended, the meeting will be declared suspended and the resolutions adopted up to that at point will be considered valid.

ARTICLE 12

- 12.1 Entitlement to speak at the Shareholders' General Meeting and to exercise the right to vote is governed by legislation and regulations *pro tempore* in force.

ARTICLE 13

- 13.1 Those entitled to vote may be represented at the Shareholders' General Meeting pursuant to the law, by means of a proxy granted in accordance with the procedures provided for by legislation in force. The proxy may also be notified to the Company by electronic means, through email in the manner specified in the meeting notice.
- 13.2 For each Shareholders' General Meeting, with an indication in the meeting notice, the Company may designate an individual to whom Shareholders may confer proxy with voting instructions on all or some proposals on the agenda, within the time frames and in the manner provided for by law.

ARTICLE 14

- 14.1 The Shareholders' General Meeting shall be chaired by the Chair or, in the absence or incapacity of the same, by the Vice Chair if appointed, or, in the absence or incapacity of the Chair and the Vice Chair, by an individual designated by the vote of the majority of the capital represented at the Shareholders' General Meeting.
- 14.2 The Chair of the Shareholders' General Meeting shall be assisted by a secretary, including a non-Shareholder, appointed by the Chair of the Shareholders' General Meeting, who may appoint one or more tellers, including non-Shareholders. In cases provided for by law, or when deemed appropriate by the Chair of the Shareholders' General Meeting, minutes shall be drawn up by a civil-law notary appointed by the Chair, acting as secretary.
- 14.3 The resolutions of the Shareholders' General Meeting shall be recorded in minutes, drawn up in accordance with the rules in force as and when applicable and signed by the Chair and the secretary of the Shareholders' General Meeting or by the civil-law Notary appointed by the Chair of the Shareholders' General Meeting.
- 14.4 Where regulations of the Shareholders' General Meeting are approved, Shareholders' General Meetings shall also be held in accordance with the provisions of said regulations, which the Chair and the secretary of the Shareholders' General Meeting shall be called upon to apply.

ARTICLE 15

- 15.1 The ordinary and extraordinary Shareholders' General Meeting shall decide on the subject

matter attributed to it by law and by these Articles of Association.

- 15.2 The resolutions of the ordinary and extraordinary Shareholders' General Meeting are taken by majorities, even facilitated, provided for by the legislation, including regulatory, *pro tempore* in force. For the purposes of calculating the *quorum* required for the forming of the ordinary and extraordinary Shareholders' General Meetings and for the adoption of the relevant resolutions, the number of votes entitled for the shares issued by the Company shall be taken into account. Special shareholders' general meetings shall be regularly constituted and shall deliberate by a majority required by law.

TITLE V BOARD OF DIRECTORS

ARTICLE 16

- 16.1 The Company is managed by a board of Directors composed of no less than five (5) and no more than thirteen (13) members ("**Board of Directors**"), determined by resolution by the ordinary Shareholders' General Meeting when appointing the Board of Directors, or amended by subsequent resolution of the Shareholders' General Meeting.
- 16.2 Directors shall be required to meet the requirements of eligibility and good repute stipulated by law, or any other requirement provided for by applicable provisions. A minimum number corresponding to the minimum required by the legislation *pro tempore* in force must meet the independence requirements laid down by law.
- 16.3 Directors shall be appointed for a period of three (3) financial years, or for a period not exceeding three (3) financial years, as determined at the time of appointment, and shall be eligible for re-election. The Directors' term shall expire on the date of the Shareholders' General Meeting called for approval of the financial statements for the last financial year of their office, without prejudice to the grounds for termination and revocation provided for by law and by these Articles of Association.
- 16.4 Directors shall be dismissed from office in cases provided for by law.

ARTICLE 17

- 17.1 The Directors are appointed by the Shareholders' General Meeting on the basis of the lists of candidates—containing a maximum number of thirteen (13) candidates, each assigned a sequential number—submitted by the Shareholders and filed at the Company's registered office within the terms and in compliance with legal and regulatory provisions *pro tempore* in force.
- 17.2 Only Shareholders who, either alone or together with others, at the time of submission of the list, hold at least the minimum share of the share capital with voting rights in the ordinary Shareholders' General Meeting established by CONSOB, which will in any case be indicated in the meeting notice, are entitled to submit the lists.
- 17.3 Each Shareholder and (i) Shareholders belonging to the same group, meaning the controlling entity, including a non-corporate entity, within the meaning of Article 2359 of

the Italian Civil Code and Article 93 of the TUF, and any company controlled by, or under the common control of, the same entity, or (ii) Shareholders who are parties to the same shareholders' agreement pursuant to Article 122 of the TUF, or (iii) Shareholders who are otherwise connected to each other by virtue of relevant associative relationships under applicable laws, including regulations, *pro tempore* in force, may not submit more than one list, nor may they participate in the submission, even through an intermediary or trust company, nor may they vote on different lists. Accessions and votes cast in breach of this prohibition shall not be attributed to any list determining the outcome of the vote.

- 17.4 Each candidate may appear on one list only to avoid being ineligible.
- 17.5 Subject to compliance with the criterion, and in any case with any legislation ensuring gender balance, each list composed of a number of candidates not exceeding seven (7) must contain and expressly indicate at least one (1) candidate who fulfils the independence requirements established under applicable legal and regulatory provisions (the "**Independent Directors**"); if a list contains more than seven (7) candidates, it must contain and explicitly indicate at least two (2) Independent Directors.
- 17.6 Any list that does not comply with the provisions of these Articles of Association shall be deemed not to have been submitted. Each individual entitled to vote may only vote on one list.
- 17.7 The lists submitted must be filed at the Company's registered office, including by means of remote communication as indicated in the meeting notice, and made available to the public within the time frames and in the manner provided for by applicable legislation, including regulations, *pro tempore* in force.
- 17.8 All candidates must be of good repute as required by applicable law, and their lists must be accompanied by:
- (i) information on the identity of the Shareholders who submitted the lists, together with an indication of the percentage of their total ownership interest; it is understood that the certificate proving ownership of such ownership interest may also be produced after filing of the lists provided that it be within the time frame set for publication of the lists by the Company;
 - (ii) a statement by the Shareholders who have submitted lists other than those that hold, whether jointly or not, a controlling or relative majority ownership interest, stating that there are no associative relationships, including indirect relationships, within the meaning of the Articles of Association and of legislation, including regulations, *pro tempore* in force, with the latter;
 - (iii) comprehensive information on the personal and professional characteristics of the candidates and a statement by the candidates attesting that there are no grounds for ineligibility and incompatibility, and that the requirements, including independence where applicable, provided for in applicable legislation, including regulations, *pro tempore* in force and the Articles of Association, exist;
 - (iv) the statement through which each candidate accepts their application;

- (v) any other or different statements, information and/or documents required by legislation, including regulations, *pro tempore* in force.
- 17.9 At the end of the voting, the candidates from the two lists with the highest number of votes shall be elected, provided that this is more than half of the percentage of the share capital required for submission of the lists, to be calculated at the time of the vote, with the following criteria:
- (i) from the list that obtained the highest number of votes (the "**List of Majority Directors**"), a number of Directors is drawn up equal to the total number of members of the Board of Directors, as previously established by the Shareholders' General Meeting, minus one; within those limits, candidates shall be elected in the numerical order indicated in the list;
 - (ii) a Director who has obtained the second highest number of votes and who is not linked in any way, even indirectly, with the Shareholders who have submitted or voted on the Majority List (the "**List of Minority Directors**") is drawn from the list, as the candidate identified by the first number on the list.
- 17.10 In the event of a tie between two or more lists (including a tie between two or more Lists of Minority Directors), a new vote shall be taken by the Shareholders' General Meeting, with regard only to those lists that are tied; the list that receives the most votes shall prevail.
- 17.11 If the candidates elected in the manner described above do not secure the appointment of as many Independent Directors as required by applicable legislation, the procedure is as follows: the candidate, who does not meet the independence requirements, elected as the last candidate in progressive order on the list with the highest number of votes will be replaced by the first non-elected candidate who meets the independence requirements of the same list in progressive order. Finally, if this procedure does not ensure the presence of the necessary number of Independent Directors, the replacement will take place by a majority resolution adopted by the Shareholders' General Meeting, after the submission of nominations from individuals meeting the independence requirements.
- 17.12 Furthermore, if, as a result of the above procedures, the composition of the Board of Directors does not comply with gender balance requirements, the candidate of the most represented gender elected as the last in progressive order of the only list submitted will be excluded or, in the event of submission of more than one list, from the List of Majority Directors, and will be replaced by the first non-elected candidate, taken from the same list, of the other gender; so on and so on until such time as a number of candidates equal to the minimum required by the gender balance rules in force at the time are elected.
- 17.13 If the procedure described above does not ensure, in whole or in part, that gender balance is respected, the Shareholders' General Meeting shall supplement the composition of the Board of Directors with the statutory majorities, ensuring that the requirement is met.
- 17.14 In the event that only one list is submitted, the Shareholders' General Meeting shall decide by a statutory majority and all of the Directors shall be elected from that list in their progressive order. However, if the candidates elected in the manner described above does

not guarantee a minimum number of Directors meeting the independence requirements provided for by law, including regulations, *pro tempore* in force and compliance with the minimum requirements provided for by law and by regulations *pro tempore* in force on gender balance, the Shareholders' General Meeting shall appoint by a statutory majority, subject to the submission of applications from individuals meeting the requisite requirements, in any case in order to ensure compliance with the minimum requirements provided for by law and by regulations *pro tempore* in force on the independence of Directors and gender balance.

- 17.15 In the absence of lists, and in the event that the number of candidates elected through the list voting mechanism is less than the number of Directors to be elected, or even if the entire Board of Directors does not have to be renewed, the Board of Directors shall, respectively, be appointed or supplemented by the Shareholders' General Meeting with a legal majority and without resorting to list voting, in any case in order to ensure compliance with the minimum requirements provided for by law and by regulations *pro tempore* in force on the independence of Directors and gender balance.
- 17.16 However, other or further provisions laid down by mandatory legal or regulatory provisions are not affected.

ARTICLE 18

- 18.1 If, during the financial year one, or more Directors are no longer in office, provided that the majority always consists of Directors appointed by the Shareholders' General Meeting, provision will be made pursuant to Article 2386 of the Italian Civil Code as follows:
- (i) in the event that the Director no longer in office is taken from the Minority List, the Board of Directors shall co-opt the substitute pursuant to Article 2386 of the Italian Civil Code from candidates belonging to the same list as the Director no longer in office, if they meet the mandatory requirements;
 - (ii) if, for any reason, there are no candidates available and eligible, or if the Director no longer in office is taken from the Majority List, the Board of Directors will co-opt the substitute(s) pursuant to Article 2386 of the Italian Civil Code without the need to submit lists or without restriction on the selection between the members of the lists submitted at the time;

In any event, the Board of Directors and the Shareholders' General Meeting will appoint them in such a way as to ensure, in addition to complying with the principle of minority representation, as far as possible, the presence of a minimum number of Directors who meet the independence requirements, and compliance with the minimum requirements for gender balance required by law, including regulations, *pro tempore* in force.

- 18.2 The Directors appointed in this manner shall remain in office until the next Shareholders' General Meeting, and those appointed by the Shareholders' General Meeting shall remain in office for as long as the Directors replaced by them should have remained.
- 18.3 If, for any reason, the majority of the Directors appointed by the Shareholders' General Meeting is no longer in office, the entire Board of Directors will be deemed to have resigned,

and therefore have been revoked, and the Shareholders' General Meeting must be called urgently by the Directors remaining in office, or in the event of their inactivity by the Board of Statutory Auditors, in order to appoint a new Board of Directors.

- 18.4 Any loss of the independence requirements laid down by law, and/or regulations *pro tempore* in force, by a Director shall not be grounds for revocation if the minimum number of members required by law, and by regulations, remain in office and meet the above independence requirements.

ARTICLE 19

- 19.1 The Board of Directors shall meet, including outside its registered office, provided that it is in the European Union, Switzerland, the United Kingdom, the People's Republic of China or the United States of America or electronically only, whenever the Chair deems it appropriate to do so, and whenever so requested by eligible individuals under the applicable regulations.
- 19.2 The Board of Directors shall be convened by the Chair or, in the absence or incapacity of the same, by the Vice Chair if appointed, or, in the absence or incapacity of the Chair and the Vice Chair, by the most senior member of the Board of Directors, by notice sent by post, fax, email or any other manner determined by the Board of Directors itself, normally at least three (3) days prior to the meeting or, in an emergency, at least one (1) day prior to the meeting. In any event, board meetings shall be deemed to have been validly constituted, even if they are not formally convened, if all current Directors and Statutory Auditors in office participate, and all those entitled to hold such meetings have been informed of the meeting in advance and have not objected to discussion of the items on the agenda.
- 19.3 Meetings of the Board of Directors may also be held by audio conference or video conference, provided that: (a) the Chair of the meeting is able to ascertain the identity of the participants, regulate the conduct of the meeting, observe and announce the results of the vote; (b) the person taking the minutes is able to properly perceive the events of the meeting being recorded; (c) attendees are able to take part in the discussion and vote simultaneously on the items on the agenda, and are able to view, receive or send documents.
- 19.4 If a connection is not possible at the time scheduled for the start of the meeting, the meeting will be invalid and must be reconvened; if, during the meeting, the connection is suspended, the meeting will be declared suspended and the resolutions adopted up to that at point will be considered valid. In the case of board meetings held through means of telecommunication, if requested by the Chair of the Board or in his absence, the specific meeting shall be chaired by the board member appointed by a majority of those present.

ARTICLE 20

- 20.1 The Board of Directors is vested with the widest powers for the ordinary and extraordinary management of the Company, with the right to carry out any acts deemed appropriate to achieve the corporate purpose, excluding only those reserved for the Shareholders' General Meeting by law.
- 20.2 In addition to exercising the powers conferred on it by law, the Board of Directors is competent to decide on: (a) mergers and demergers, where required by law; (b) the establishment or removal of secondary offices; (c) which of the Directors are to be appointed to represent the Company; (d) the reduction of share capital in the event of withdrawal of one or more Shareholders; (e) the relocation of the registered office within the national territory; (f) the adaptation of the Articles of Association to legislative provisions.
- 20.3 The assignment of such powers to the Board of Directors does not exclude the shared competence of the Shareholders' General Meeting in the same matters.

ARTICLE 21

- 21.1 The Board of Directors may, within the limits set out in Article 2381 of the Italian Civil Code, delegate its powers to one or more of its members, specifying the content, limits and any conditions of exercising the delegation ("**Chief Executive Officer**" or "**Chief Executive Officers**"). On a proposal from the Chair and in agreement with the delegated bodies, the Board of Directors may also delegate powers for individual acts or categories of acts to other members of the Board of Directors.
- 21.2 It is within the powers of the delegated bodies to delegate, within the scope of the tasks received, powers for individual acts or categories of acts to Company employees and to third parties, with the power of sub-delegation.
- 21.3 The Board may delegate part of its tasks to an executive committee, composed of at least three (3) to at most five (5) Directors, the limits of which shall be determined, the number of members and the way in which the committee operates, or may appoint a general manager and one (1) or more directors, determining their respective powers.
- 21.4 The Board may set up one or more committees for advisory, policy making or supervisory functions, including, *inter alia*, those recommended by codes of conduct in corporate law, promoted by regulated market management companies or trade associations.
- 21.5 The delegated bodies shall report promptly to the Board of Directors and to the Board of Statutory Auditors or, in the absence of delegated bodies, the Directors shall report promptly to the Board of Statutory Auditors, on their activities, on the general and foreseeable development of operations, and on the most important economic, financial and capital operations or their specific characteristics, carried out by the Company and its subsidiaries. In particular, they shall report on operations in which Directors have an interest, whether on their own account or on behalf of third parties, or which are influenced by the entity that may be required to exercise the management and coordination function. Such notification may be made at board meetings or in writing. The communication shall be made promptly and at

least quarterly.

- 21.6 If the Shareholders' General Meeting has not done so, the Board of Directors shall elect a Chair of the Board of Directors from among its members. In the event of the absence or incapacity of the Chair, the Chair shall be replaced by the Vice Chair (if appointed), one of the Chief Executive Officers, or the Director designated by the participants.
- 21.7 The Chair shall perform the duties provided for in applicable laws and regulations and in these Articles of Association.
- 21.8 Acting on a proposal of the Chair, the Board of Directors shall appoint a secretary and, as appropriate, their replacement, even if they are not a member of the Company, for the entire term of the appointment of Directors or for one or more meetings.
- 21.9 The Board of Directors may also appoint an Honorary Chair with the right to attend meetings of the Board of Directors and convocations of the Shareholders' General Meeting.

ARTICLE 22

- 22.1 Meetings of the Board of Directors shall be chaired by the Chair of the Board of Directors or in order, in the absence or incapacity of the same, by the Vice Chair (if appointed), or by the Director designated by the participants.

ARTICLE 23

- 23.1 For the validity of the resolutions of the Board of Directors, the presence of a majority of the Directors in office and the favourable vote of a majority of those present is necessary. In the event of a tie, the Chair of the Board of Directors shall have the casting vote.

ARTICLE 24

- 24.1 The legal representation of the Company and the signing power shall be the responsibility of the Chair and the Chief Executive Officer, within the limits of the powers conferred on them.
- 24.2 The above-mentioned legal representatives may confer powers of representation of the Company, including in court proceedings, even with the right to sub-delegate, within the limits of the law.

ARTICLE 25

- 25.1 Directors shall be entitled to reimbursement of any expenses incurred in the performance of their duties. The ordinary Shareholders' General Meeting will also be able to grant Directors remuneration and compensation at the end of their term of office, including in the form of an insurance policy. The Shareholders' General Meeting may determine a total amount for the remuneration of all Directors, including those with special functions (including Executive Directors), to be allocated by the Board of Directors in accordance with the law, after consulting the Board of Statutory Auditors.

TITLE VI
BOARD OF STATUTORY AUDITORS

ARTICLE 26

- 26.1 Corporate management is controlled by a Board of Statutory Auditors, consisting of three (3) standing members and two (2) alternates, appointed and functioning according to the law ("**Board of Statutory Auditors**").
- 26.2 The Statutory Auditors shall be appointed for three (3) financial years and their term shall expire on the date of the Shareholders' General Meeting called for approval of the financial statements for the last financial year of their office and they shall be eligible for re-election.
- 26.3 No Statutory Auditors may be elected and, if elected, any individual who exceeds the limits of the cumulation of posts, or for whom there are grounds of ineligibility and revocation, or who does not meet the independence, good repute, professionalism and other requirements laid down by law and regulations, shall be dismissed from office. For the purposes of determining professionalism and good repute requirements, matters relating to commercial and tax law, business and corporate finance, and disciplines with comparable or similar subject matter, shall be considered to be strictly relevant to the scope of the Company's activities, as well as the subjects and sectors related to the sectors of activity indicated in the corporate purpose.
- 26.4 The attributions and duties of the Statutory Auditors are those established by law.

ARTICLE 27

- 27.1 The standing and alternate Statutory Auditors are appointed by the Shareholders' General Meeting on the basis of lists of candidates submitted by the Shareholders and filed at the Company's registered office under the terms of and in compliance with legal and regulatory provisions *pro tempore* in force, in which the candidates are to be listed by a sequential number.
- 27.2 Shareholders who, alone or jointly with others, represent at least the share of the share capital referred to in paragraph 17.2 for the submission of the lists of candidates for the position of Director at the time of submission of the list shall be entitled to submit lists. The notice convening the Shareholders' General Meeting called to decide on the appointment of the Board of Statutory Auditors shall indicate the percentage share of participation required for the submission of the lists of candidates.
- 27.3 Each Shareholder and (i) Shareholders belonging to the same group, meaning the controlling entity, including a non-corporate entity, within the meaning of Article 2359 of the Italian Civil Code and Article 93 of the TUF, and any company controlled by, or under the common control of, the same entity, or (ii) Shareholders who are parties to the same shareholders' agreement pursuant to Article 122 of the TUF, or (iii) Shareholders who are otherwise connected to each other by virtue of relevant associative relationships under applicable laws, including regulatory, in force, may not submit more than one list, nor may they participate in the submission, even through an intermediary or trust company, nor may they vote on

different lists. Accessions and votes cast in breach of this prohibition shall not be attributed to any list determining the outcome of the vote, it being understood that where the Shareholder who submitted the majority list or an individual connected to a Shareholder who submitted or voted on the majority list has voted for another list, the vote and/or existence of such an associative relationship shall be of decisive importance only if the vote taken has been decisive for the election of the Statutory Auditor to be drawn from that other list and solely by reference to the vote cast against that other list.

- 27.4 Each candidate may appear on one list only to avoid being ineligible.
- 27.5 The list shall consist of two (2) sections: one for candidates for the office of standing Statutory Auditor, and the other for candidates for the office of alternate Statutory Auditor. The list shall indicate at least one (1) candidate for the office of standing Statutory Auditor and one (1) candidate for the office of alternate Statutory Auditor, and may contain up to a maximum of three (3) candidates for the office of standing Statutory Auditor and two (2) candidates for the office of alternate statutory Auditor.
- 27.6 The first of the candidates in each section must be entered on the register of statutory auditors and have performed statutory audit activities for a period of no less than three (3) years. Other candidates, if they do not fulfil the requirement laid down in the previous point, must meet the other professional requirements laid down in the Articles of Association and in legislation, including regulations, *pro tempore* in force.
- 27.7 In order to ensure gender balance, lists composed of at least three (3) candidates must be composed of candidates from both genders, in each of the two (2) sections, so that the least represented gender is a number of candidates that complies with the minimum requirements of the gender balance law and regulations *pro tempore* in force.
- 27.8 The lists shall be accompanied by:
- (i) information on the identity of the Shareholders who submitted the lists, together with an indication of the percentage of their total ownership interest; it is understood that the certificate proving ownership of such ownership interest may also be produced after filing of the lists provided that it be within the time frame set for publication of the lists by the Company;
 - (ii) a statement by the Shareholders who have submitted lists other than those that hold, whether jointly or not, a controlling or relative majority ownership interest, stating that there are no associative relationships, including indirect relationships, within the meaning of the Articles of Association and of legislation, including regulations, *pro tempore* in force, with the latter;
 - (iii) a comprehensive statement of the personal and professional characteristics of the candidates, indicating the administrative and supervisory positions held in other companies, and a statement by the candidates that they have fulfilled the requirements, including those of good repute, professionalism, independence and those related to the cumulation of tasks, as provided for in legislation, including regulations, *pro tempore* in force and in the Articles of Association;

- (iv) the statement through which each candidate accepts their application;
 - (v) any other or different statements, information and/or documents required by legislation, including regulations, *pro tempore* in force.
- 27.9 The lists submitted must be filed at the Company's registered office, including by means of remote communication as indicated in the meeting notice, and made available to the public within the time frames and in the manner provided for by applicable legislation, including regulations, *pro tempore* in force.
- 27.10 In the event that, upon the due date of the deadline for submission of the lists provided for by legislative and regulatory provisions in force, only one list has been submitted—that is, only lists submitted by Shareholders that are connected to each other pursuant to the provisions of law and regulations in force—lists may be submitted until the next deadline provided for by legislation in force. In this case, the thresholds for the submission of lists provided for in paragraph 27.2 above shall be halved.
- 27.11 In the event of non-compliance with the obligations laid down in this Article, the list shall be deemed not to have been submitted. Any changes that may occur up to the day of the Shareholders' General Meeting are promptly communicated to the Company.
- 27.12 Each Shareholder's vote will be related to the list, and therefore automatically to all candidates indicated thereon, without any possibility of modification, addition or exclusion.
- 27.13 The Board of Statutory Auditors shall be appointed as follows:
- (i) from the list with the highest number of votes (the "**List of Majority Statutory Auditors**"), two (2) standing Statutory Auditors and one (1) alternate Statutory Auditor shall be drawn, in the sequential order in which they are listed in the sections of the list;
 - (ii) from the list which has obtained the second largest number of votes and which is not linked in any way, even indirectly, within the meaning of the Articles of Association and legal and regulatory provisions *pro tempore* in force, with those who have submitted or voted on the List of Majority Statutory Auditors (the "**List of Minority Statutory Auditors**") the remaining standing Statutory Auditor—who will take up the office of Chair of the Board of Statutory Auditors—and the other alternate Statutory Auditor shall be drawn in the order in which they are listed in the sections of the list.
- 27.14 Where several lists have obtained the same number of votes, a new ballot shall be held between those lists by all eligible candidates present at the Shareholders' General Meeting, with the candidates on the list who obtain the relative majority being elected.
- 27.15 In the event that only one list is submitted, the Shareholders' General Meeting shall decide by a statutory majority and all of the Statutory Auditors shall be elected from that list in their progressive order.
- 27.16 If the composition of the Board of Statutory Auditors, in its standing members and/or in its alternate members, does not comply—as a result of the voting by lists or the voting of the

single list—with the minimum requirements laid down in legislation and regulations *pro tempore* in force on gender balance, the candidate for standing Statutory Auditor and/or alternate Statutory Auditor of the most represented gender elected as the last in progressive order from the List of Majority Statutory Auditors, or from the only list, will be deemed not elected and will be replaced by the next candidate, in the progressive order in which the candidates are listed, taken from the same list and of the other gender.

- 27.17 In the event that no list has been submitted, and in the event that the number of elected candidates is less than the number laid down in these Articles of Association through the voting mechanism, the Shareholders' General Meeting, as the case may be, shall appoint or supplement the Board of Statutory Auditors by a statutory majority; in any case, the minimum requirements provided for by the law and regulations *pro tempore* in force on gender balance must be met.
- 27.18 The Chairship of the Board of Statutory Auditors shall, in the latter cases, be held respectively by the first candidate on the only list submitted, or by the individual appointed by the Shareholders' General Meeting if no list has been submitted.

ARTICLE 28

- 28.1 In the event that the requirements provided for by the law and regulations *pro tempore* in force are no longer met, the Statutory Auditor shall cease to hold office.
- 28.2 In the event of the standing down of a Statutory Auditor, the alternate Statutory Auditor from the same list as the one who has stood down shall take over, provided that the laws and regulations *pro tempore* in force on gender balance are respected.
- 28.3 When the Shareholders' General Meeting is required to appoint standing Statutory Auditors and/or alternates necessary for the integration of the Board of Statutory Auditors, the procedure shall be as follows:
- (i) where it is necessary to replace Statutory Auditors drawn from the List of Majority Statutory Auditors, the appointment shall be by a relative majority without being tied to the list in accordance with the law and regulations *pro tempore* in force on gender balance;
 - (ii) if, on the other hand, it is necessary to replace Statutory Auditors drawn from the List of Minority Statutory Auditors, the appointment shall be by a relative majority, choosing from among the candidates listed on the List of Minority Statutory Auditors, or, in the alternative, from the list with the third number of votes, in both cases, without taking into account the original candidacy for the office of standing Statutory Auditor or alternate Statutory Auditor, always in accordance with the law and regulations *pro tempore* in force on gender balance.
- 28.4 In any case, any Shareholders who intend to propose a candidate must submit in advance the same documentation relating to the candidate as provided for in the case of the submission of lists for the appointment of the entire Board of Statutory Auditors, if necessary as an update to what has already been submitted at that meeting.

- 28.5 If the application of these procedures does not, for any reason, allow for the replacement of the Statutory Auditors drawn from the List of Minority Statutory Auditors, the Shareholders' General Meeting will act by a relative majority, respecting the principle of representation of minorities and in compliance with the laws and regulations *pro tempore* in force on gender balance, after the submission of applications accompanied for each candidate by the same documentation as provided for in the case of the submission of lists for the appointment of the entire Board of Statutory Auditors.
- 28.6 In the absence of nominations submitted as provided for above, the Shareholders' General Meeting shall act by a relative majority in accordance with the laws and regulations *pro tempore* in force on gender balance.
- 28.7 However, other and further provisions laid down by mandatory legal or regulatory provisions are not affected.

ARTICLE 29

- 29.1 The Chair of the Board of Statutory Auditors shall convene the Board of Statutory Auditors through a written notice to be sent to each standing Statutory Auditor at least three (3) calendar days prior to the date set for the meeting or, in cases of urgency, at least twenty-four (24) hours before the meeting. The notice shall indicate the day, time and, if the meeting is not held exclusively by remote connection, the location of the meeting and the items on the agenda.
- 29.2 Meetings of the Board of Statutory Auditors may be held with participants located in several places by means of telecommunication, in accordance with the procedures indicated in these Articles of Association for the Board of Directors.
- 29.3 The Board of Statutory Auditors shall meet at the initiative of any of the Statutory Auditors. It shall be validly constituted with the presence of a majority of the Statutory Auditors and shall act with the vote in favour of an absolute majority of those present.

ARTICLE 30

- 30.1 The annual remuneration of the Statutory Auditors shall be determined by the Shareholders' General Meeting upon appointment, for the entire term of their office, in accordance with the laws in force. They shall also be entitled to the reimbursement of any expenses incurred in the performance of their duties.

TITLE VII

STATUTORY AUDIT — MANAGER RESPONSIBLE FOR PREPARATION OF THE COMPANY'S FINANCIAL STATEMENTS

ARTICLE 31

- 31.1 The statutory audit shall be carried out, in accordance with applicable legal provisions, by a statutory audit company that satisfies legal requirements and is entered on the appropriate register, to whom the task is conferred by the ordinary Shareholders' General Meeting in the

manner prescribed by applicable law.

- 31.2 The appointment, revocation, requirements, attributions, competencies, responsibilities, powers, obligations and remuneration of the individuals responsible for carrying out statutory audits shall be subject to the provisions of applicable laws and regulations.

ARTICLE 32

- 32.1 The Board of Directors (i) appoints and dismisses a manager in charge of drawing up the Company's financial statements, subject to the mandatory opinion of the Board of Statutory Auditors, (ii) determines their term and (iii) grants them the appropriate powers and means to perform their duties.
- 32.2 The manager responsible for preparing the Company's financial statements shall be appointed from among individuals with significant professional experience, of at least five (5) years, in accounting, economic and financial matters and any additional requirements laid down by the Board of Directors and/or legal and regulatory framework.

TITLE VIII RELATED PARTIES

ARTICLE 33

- 33.1 The Company approves operations with Related Parties in accordance with applicable laws and regulations, the provisions of these Articles of Association, and the procedures adopted to comply with them.
- 33.2 The procedures adopted by the Company in relation to Related Party operations may provide for the exclusion from their scope of application of urgent operations, including those falling within the jurisdiction of the Shareholders' General Meeting, to the extent permitted by applicable legal and regulatory provisions.
- 33.3 In the case of urgency, operations with related parties of major or minor relevance, as defined in the Related-Party Operations Procedure adopted by the Company's Board of Directors, that are not the responsibility of the Shareholders' General Meeting and are not to be authorised by the Shareholders' General Meeting, may also be concluded by way of derogation from the respective authorisation procedures provided for in the procedure, provided that the conditions laid down in that procedure are fulfilled.
- 33.4 The Company's Related-Party Operations Procedure may also provide that the Board of Directors approves "major transactions" as defined in the CONSOB Regulation adopted by means of Resolution no. 17221 of 12 March 2010 (as subsequently amended), notwithstanding advice to the contrary of the Committee of Independent Directors competent to give its opinion on such operations, provided that the completion of such operations is authorised by the Shareholders' General Meeting pursuant to Article 2364, paragraph 1, no. 5 of the Italian Civil Code. In this case, the Shareholders' General Meeting shall decide with the majorities provided for by law, provided that, if the non-related Shareholders present at the meeting represent at least ten percent (10%) of the share capital

with voting rights; it does not have the vote against the majority of the non-related Shareholders voting in the Shareholders' General Meeting.

**TITLE IX
BUDGET AND PROFITS**

ARTICLE 34

- 34.1 Financial years end on 31 December of each year.
- 34.2 At the end of each financial year, the Board of Directors shall draw up the financial statements in accordance with legal requirements and other applicable provisions.

ARTICLE 35

- 35.1 The net profit resulting from the balance sheet, with the five percent (5%) share of the statutory reserve deducted, until it has reached one fifth (1/5) of the share capital, may be distributed among the Shareholders or otherwise allocated as decided by the Shareholders' General Meeting.
- 35.2 The Board of Directors may decide on the distribution of advance payments on dividends, within the limits and in the manner established by law.
- 35.3 Dividends not collected within five (5) years from the date on which they became due shall be prescribed by the Company and shall benefit the extraordinary reserve fund.

**TITLE X
DISSOLUTION AND LIQUIDATION**

ARTICLE 36

- 36.1 In the event of dissolution of the Company, the Shareholders' General Meeting shall determine winding-up procedures and appoint one or more liquidators, setting out their powers and fees.

**TITLE XI
GENERAL AND TRANSITIONAL PROVISIONS**

ARTICLE 37

- 37.1 For any matters not expressly provided for in these Articles of Association, the laws and regulations *pro tempore* in force shall apply.

