ANNEX 1) Text of the Articles of Association

Current text	**Proposed text**
Title I NAME - REGISTERED OFFICE - DURATATION - CORPORATE PURPOSE	Title I NAME - REGISTERED OFFICE - DURATATION - CORPORATE PURPOSE
ARTICLE 1 1. A joint-stock company is hereby established under the name of A2A S.p.A..	**ARTICLE 1** *Unchanged*
ARTICLE 2 1. The Company has its registered office in Brescia. 2. The Company may establish or close down secondary and representative offices, branches and sub-offices, both in Italy and abroad, in accordance with the procedures laid down by law.	**ARTICLE 2** *Unchanged*
ARTICLE 3 1. The duration of the Company shall be until December 31 (thirty-one) 2100 (two thousand one hundred) and may be extended by resolution of the shareholders' meeting.	**ARTICLE 3** *Unchanged*
ARTICLE 4 1. The purpose of the Company is to carry out, either directly or through invested companies and entities, activities in the field of research, production, supply, transportation, transformation, distribution, sale, use and recovery of energy resources and of integrated water cycle. 2. The Company may also carry out activities in the field of other network services, including the installation, maintenance, connection and testing of telecommunications systems, as well as provide public services in general and carry out activities instrumental, connected and ancillary to those indicated above, including services in the field of waste collection, treatment and disposal and of urban and environmental hygiene in general. 3. In these fields, the Company may also carry out activities regarding study, consulting and design, except for activities expressly reserved by law. 4. The Company may perform any and all transactions deemed necessary or useful for the attainment of its corporate purpose; it may effect, *inter alia*, real and personal property, commercial, industrial and financial transactions, and do everything that is connected to the achievement of its corporate purpose, except for the collection of savings from the general public and the carrying out of reserved activities under Legislative Decree No. 58 of February 24, 1998. 5. Finally, the Company may acquire interests and equity investments in other companies or businesses, both	**ARTICLE 4** *Unchanged*

Italian and foreign, whose corporate purpose is similar, connected or ancillary to its own, and may provide real and/or personal security for obligations connected with the conduct of corporate business also to the benefit of subsidiary and/or associated entities and companies.	
TITLE II **SHARE CAPITAL - SHARES - BONDS**	Title II **SHARE CAPITAL - SHARES - BONDS**
ARTICLE 5 1. The share capital amounts to Euro 1,629,110,744.04 (one billion, six hundred and twenty-nine million, one hundred and ten thousand, seven hundred and forty-four - point zero four) represented by no. 3,132,905,277 (three billion, one hundred and thirty-two million, nine hundred and five thousand, two hundred and seventy-seven) ordinary shares, with a par value of Euro 0.52 (zero point fifty-two) each.	**ARTICLE 5** *Unchanged*
ARTICLE 6 1. The shares are indivisible and each share carries one vote, except for special shares issued pursuant to the legislation in force from time to time.	**ARTICLE 6** *Unchanged*
ARTICLE 7 1. Payments for shares are required by the Management Board according to the deadlines and procedures it deems appropriate. Without prejudice to article 2344 of the Italian Civil Code, shareholders who are late in their payments shall be charged an annual interest amounting to the relevant rate set forth by the European Central Bank increased by 2 (two) percentage points.	**ARTICLE 7** 1 Payments for shares are ~~required by the Management Board~~ **requested by the Board of Directors** according to the deadlines and procedures it deems appropriate. Without prejudice to article 2344 of the Italian Civil Code, shareholders who are late in their payments shall be charged an annual interest amounting to the relevant rate set forth by the European Central Bank increased by 2 (two) percentage points.
ARTICLE 8 1. Shares are registered. 2. If permitted by law, when they are fully paid up, non-voting shares may be issued as bearer shares.	**ARTICLE 8** 1 *Unchanged.* ~~2 If permitted by law, when they are fully paid up, non-voting shares may be issued as bearer shares.~~
ARTICLE 9 1. Pursuant to article 3 of Decree Law No. 332 of May 31, 1994, as amended by Law No. 474 of July 30, 1994, any individual shareholder other than the Municipality of Brescia and the Municipality of Milan, as well as his/her family, including the shareholder him/herself, the spouse not legally separated and minor children, may not hold an equity investment exceeding 5% (five per cent) of the share capital. 2. This limit also applies to shares indirectly held by a natural or legal person through subsidiary companies, trust companies or a third party, as well as to shares held directly or indirectly by way of pledge or usufruct, provided that the voting rights attached thereto are granted to the pledgee or to the life tenant, as well as to	**ARTICLE 9** 1.*Unchanged* 2 *Unchanged*

shares held directly or indirectly by way of deposit, should the depositary be entitled to discretionally exercise the voting rights attached thereto, as well as to shares under carry-over contracts, both from the payer's and the receiver's viewpoints.	
3. The ownership limit referred to in the previous paragraph also applies to shares held by the individual shareholder's group, i.e. a person who exercises control (including persons who have not a corporate status), subsidiary companies and companies controlled by the same controlling body, as well as affiliates (including persons who have not a corporate status). Control also extends to persons other than companies, in the cases provided for in article 2359, paragraphs 1 and 2, of the Italian Civil Code. The relation of affiliation applies in the cases provided for in article 2359, paragraph 3, of the Italian Civil Code, as well as between persons who, either directly or indirectly, including through subsidiary companies, trust companies or a third party, expressly or through concerted actions, enter into agreements, also with third parties, in relation to the exercise of voting rights or to the transfer of shares, including shares of third-party companies, and in any case agreements or covenants under article 122 of Legislative Decree No. 58 of February 24, 1998, regardless of the validity of said covenants and agreements.	3.*Unchanged*
4. In relation to shareholders' agreements or covenants regarding the exercise of voting rights or the transfer of shares of third-party companies, a relation is deemed to exist if said agreements or covenants involve at least 10% (ten per cent) of the voting share capital in the event of companies traded on an regulated market, or 20% (twenty per cent) in all other cases.	4 *Unchanged*
5. Any person holding company shares in breach of the prohibition under the first paragraph, shall give notice thereof in writing to the Company within 20 (twenty) days of the transaction following which the equity investment has exceeded the authorized percentage limit.	5.*Unchanged*
6. Any covenant or agreement involving, for the parties, limitations or regulations on voting rights, obligations or power to arrange a preliminary consultation for the exercise of such rights, obligations as to the transfer of shares, or any agreement on concerted purchases, shall be entered into by public deed to be notified in writing to Consob (*Commissione Nazionale per le Società e la Borsa* - Italian Stock Exchange) and to the Company within 5 (five) days of its execution, and to be made public within 5 (five) days of its execution by a notice published in 3 (three) national dailies, of which one financial, and filed with the competent Register of Companies within 5 (five) days of said execution. Failure to do so, the deed is deemed null and void and ineffective	6.Any covenant or agreement involving, for the parties, limitations or regulations on voting rights, obligations or power to arrange a preliminary consultation for the exercise of such rights, obligations as to the transfer of shares, or any agreement on concerted purchases, shall be entered into by public deed to be notified in writing to Consob (*Commissione Nazionale per le Società e la Borsa* - Italian Stock Exchange) and to the Company within 5 (five) days of its execution, and to be made public within 5 (five) days of its

also among the parties.	execution by a notice published in ~~3 (three) national dailies, of which one financial,~~ **1 national daily** and filed with the competent Register of Companies within 5 (five) days of said execution. Failure to do so, the deed is deemed null and void and ineffective also among the parties.
7. Pursuant to article 2, letter b), of Decree Law No. 332 of May 31, 1994, as amended by Law No. 474 of July 30, 1994, and by Law No. 350 of December 24, 2003, the validity of covenants or agreements between shareholders - referred to in article 122 of Legislative Decree No. 58 of February 24, 1998 - is conditional upon the lack of opposition to be given jointly by the Municipality of Brescia and the Municipality of Milan, should said covenants or agreements involve more than 5% (five per cent) of the share capital represented by voting shares at the shareholders' meeting. The power of opposition must be exercised according to the deadlines and procedures laid down by regulations in force from time to time.	7.*Unchanged*
8. Until the expiry of the deadline to exercise the power of opposition, the parties to the covenant may not exercise their voting right. Should the power of opposition be exercised, the agreements shall be deemed ineffective. If, during the shareholders' meeting, the syndicated shareholders' conduct leads to think they will meet the commitments undertaken when signing the covenants referred to in the aforementioned article 122 of Legislative Decree No. 58 of February 24, 1998, any resolution adopted with the casting vote of the shareholders themselves may be appealed.	8.*Unchanged*
9. Except for the Municipality of Brescia and the Municipality of Milan, to whom the ownership limit does not apply, should the ownership limit under this article be exceeded, the voting right attached to the shares held in excess of 5% (five per cent) of the share capital may not be exercised; accordingly, the voting right that would be granted to each of the persons to whom the ownership limit can be referred, shall be reduced proportionally, unless prior joint instructions given by the shareholders involved.	*9. Unchanged*
10. Failing to comply, the resolution passed by the shareholders' meeting may be appealed pursuant to article 2377 of the Italian Civil Code, if the majority required had not been reached without the votes in excess of the maximum limit indicated above.	*10. Unchanged*
11. The shares for which no voting rights can be exercised are, in any case, taken into account for the purposes of the regular constitution of the shareholders' meeting.	*11. Unchanged*

ARTICLE 10 The status of shareholder entails unconditional compliance with the Company's Articles of Association and all the resolutions passed by the shareholders' meeting, including those passed prior to the acquisition of such status. With respect to corporate relations, the shareholders' domicile is considered the domicile indicated in the register of shareholders.	**ARTICLE 10** 1.*Unchanged*.
TITLE III **SHAREHOLDERS' MEETINGS**	Title III SHAREHOLDERS' MEETINGS
ARTICLE 11 1. The shareholders' meeting, legally convened and constituted, is composed of all those entitled to vote and represents the entire body of those entitled to vote. Its resolutions, passed in accordance with the law, are binding upon all shareholders and those entitled to vote, including those absent or dissenting.	**ARTICLE 11** 1. *Unchanged* 2. **The shareholders' meeting resolves on all subjects for which it has competence by law or under the Articles of Association.**
ARTICLE 12 1. Without prejudice to the statutory powers to convene meetings, it is the duty of the Management Board to call the shareholders' meeting, after consulting the Chairman of the Supervisory Board. Meetings may also be held away from the head office, provided they are held in Lombardy, whenever the Management Board deems it necessary and in the cases provided for by law and in any case at least once a year within 120 (one hundred and twenty days), or in the circumstances permitted by law, no later than 180 (one hundred and eighty days), of the closing of the financial year. 2. The notice of call shall indicate the date, time and place of the meeting on first and second call, the list of issues to be discussed and any other information which is required to be reported in the notice of call according to the legislation, including regulations, in force at the time, including article 125-*bis* of Legislative Decree no. 58 of February 24, 1998. 3. The notice of call shall be published on the Company's website, as well as according to the other procedures laid down by Consob, within the deadlines laid down by law. If required by mandatory provisions or decided by	**ARTICLE 12** 1. Without prejudice to the statutory powers to convene meetings, it is the duty of **the ~~Management Board~~ Board of Directors to call the shareholders' meeting~~, after consulting the Chairman of the Supervisory Board~~**. Meetings may also be held away from the head office, provided they are held in Lombardy, whenever the Management Board deems it necessary and in the cases provided for by law and in any case at least once a year within 120 (one hundred and twenty days), or in the circumstances permitted by law, no later than 180 (one hundred and eighty days), of the closing of the financial year. *2.Unchanged* *3.Unchanged*

governing body, the notice of call shall also be published in the daily newspaper "Il Sole 24 Ore". 4. The notice of call may also envisage a third call for the extraordinary session of the shareholders' meeting. 5. Within the limits permitted by article 2367 of the Italian Civil Code, shareholders' meetings are also called when it is required by a number of shareholders representing at least 5% (five per cent) of the share capital, specifying the items to be discussed. 6. Shareholders that, even if combined, represent at least one-fortieth of the share capital are also entitled to ask for items to be added to the agenda of the shareholders' meeting pursuant to article 126-*bis* of Legislative Decree no. 58 of February 1998, within the limits permitted by this rule and according to the procedures and time limits envisaged therein.	*4.Unchanged* *5.Unchanged* *6.Unchanged*
ARTICLE 13 1. Shareholders' meetings are chaired by the Chairman of the Supervisory Board or, in the event of his/her absence or impediment, by the Vice-Chairman of the Supervisory Board or, in the event of his/her absence or impediment, by the Chairman of the Management Board, or, in the event of his/her absence or impediment, by the Vice-Chairman of the Management Board. If the latter is also absent or prevented from attending, the shareholders' meeting is chaired by the person appointed by the meeting itself, by an absolute majority of the capital represented therein. 2. The resolutions passed by the shareholders' meeting must be recorded in the minutes signed by the chairman and the secretary appointed by the meeting upon the proposal of the Chairman of the meeting itself. When required by law, or whenever the Chairman of the shareholders' meeting deems it appropriate, the minutes are drawn up by a notary public chosen by the Chairman him/herself.	ARTICLE 13 1. **Shareholders' meetings are chaired by the Chairman of the Board of Directors, or in his/her absence or impediment by the Deputy Chairman of the Board of Directors, or in his/her absence or impediment by the person appointed by the meeting with an absolute majority of the capital represented therein.** 2. *Unchanged*
ARTICLE 14 1. The right to attend the shareholders' meeting and to exercise voting rights is certified, in compliance with the current legislation, including regulations, in force at the time, by a notice to be given to the Company, by the agent who keeps the accounts on which shares are registered, in accordance with its accounting records, in favor of the person who is granted the voting right. 2. Without prejudice to the provisions on proxy solicitation and granting of proxies to associations of shareholders, those who are entitled to vote may be entitled to be represented, at the shareholders' meeting, pursuant to law, by written proxy which may be notified to the Company also by sending the proxy itself to the certified e-mail address specified in the notice of call, in any case without prejudice to compliance with the	**ARTICLE 14** 1. *Unchanged* 2. Without prejudice to the provisions on proxy solicitation and granting of proxies to associations of shareholders, those who are entitled to vote may be entitled to be represented, at the shareholders' meeting, pursuant to law, by written proxy which may be notified to the Company also by sending the proxy itself to the certified e-mail address specified in the notice of call,

legislation, including regulations, in force at the time. Except for the Municipality of Brescia and the Municipality of Milan, to whom the ownership limit does not apply, no one may exercise the voting right, neither directly, nor on behalf of other shareholders, for more than 5% (five per cent) of the share capital. In order to facilitate the collection of voting proxies from shareholders who are employees of the Company and its subsidiaries, from the members of associations of shareholders who meet the requirements laid down in the relevant regulations in force at the time, according to the deadlines and procedures laid down by the Management Board, special spaces are made available for the notification and the carrying out of the said collection activity. 3. It is the duty of the chairman of the shareholders' meeting to ascertain the validity of the individual proxies and in general the right to attend shareholders' meetings.	in any case without prejudice to compliance with the legislation, including regulations, in force at the time. Except for the Municipality of Brescia and the Municipality of Milan, to whom the ownership limit does not apply, no one may exercise the voting right, neither directly, nor on behalf of other shareholders, for more than 5% (five per cent) of the share capital. In order to facilitate the collection of voting proxies from shareholders who are employees of the Company and its subsidiaries, from the members of associations of shareholders who meet the requirements laid down in the relevant regulations in force at the time, according to the deadlines and procedures laid down by the ~~Management Board~~ **Board of Directors**, special spaces are made available for the notification and the carrying out of the said collection activity. 3. *Unchanged*
ARTICLE 15 1. As to the constitution and resolutions passed by ordinary shareholders' meetings, either on first or second call, the provisions of law shall apply. 2. Extraordinary shareholders' meetings are constituted with the majorities established by law and validly resolve as to any call with the favorable vote of 75**%** (seventy-five per cent) of the share capital represented at the meeting. 3. Pursuant to article 2, letter c), of Decree Law No. 332 of May 31 1994, as amended by Law No. 474 of July 30, 1994, and by Law No. 350 of December 24, 2003, the Municipality of Brescia and the Municipality of Milan shall be jointly entitled to veto the adoption of resolutions regarding dissolution of the Company, pursuant to article 2484, paragraph 1, No. 6 of the Italian Civil Code, transfer of the business for any reason whatsoever, merger, demerger, relocation of registered office abroad, change in corporate purposes, amendments to the Articles of Association abolishing or modifying, in addition to the powers of the Municipality of Brescia and the Municipality of Milan to be jointly exercised as laid down in this paragraph, also those laid down in article 9, paragraph 7, above. 4. The right of veto must be exercised according to the deadlines and procedures laid down by the regulations, including community regulations, in force from time to time.	**ARTICLE 15** *Unchanged*

TITLE IV **SUPERVISORY BOARD**	~~**TITLE IV**~~ ~~**SUPERVISORY BOARD**~~
ARTICLE 16 1. The Supervisory Board is composed of 15 (fifteen) members, including a Chairman and a Vice-Chairman, who are appointed as stated in articles 17 and ff. below. Members of the Supervisory Board serve for 3 (three) financial years and leave office on the date of the shareholders' meeting set in article 2364-*bis*, paragraph 2, of the Italian Civil Code. 2. Their departure from office due to the expiration of their term comes into effect when the Supervisory Board, which retains its full powers in the meanwhile, has been reconstituted.. 3. Members of the Supervisory Board must meet the requirements of honesty and professionalism, as well as the requirements of independence and those relating to limitations on the accumulation of offices laid down in the legislation, including regulations in force at the time. Specifically, pursuant to article 148, paragraphs 3 and 4-*bis*, of Legislative Decree no. 58 of February 1998, the following persons may not be elected as members of the Supervisory Board, and, if elected, cease to hold office: (a) persons in the circumstances envisaged in article 2382 of the Italian Civil Code; b) the spouse, relatives and up to fourth-degree relatives-in-law of directors of the Company, the directors, the spouse, relatives and up to fourth-degree relatives-in-law of directors of subsidiaries of the Company, of its parent companies and of companies under joint control; c) persons connected with the Company, its subsidiaries or parent companies or with companies under joint control, or with the directors of the Company and with persons referred to in letter b), by self- or subordinate employment relationships, or by other relations of a financial or professional nature that compromise their independence. 4. At least 2 (two) members of the Supervisory Board must be chosen from statutory auditors registered in the appropriate register. 5. The members of the Supervisory Board are entitled to a remuneration set by the shareholders' meeting at the time of their appointment for the entire period of their term of office, in addition to the refund of the expenses they incur by reason of their position. The Supervisory Board, after consulting the Remuneration Committee, determines the remuneration of those members of the Supervisory Board who are attributed either by the articles of association or by the Supervisory Board itself with particular positions, powers or functions.	~~**ARTICLE 16**~~ ~~1. The Supervisory Board is composed of 15 (fifteen) members, including a Chairman and a Vice-Chairman, who are appointed as stated in Articles 17 and ff. below. Members of the Supervisory Board serve for 3 (three) financial years and leave office on the date of the shareholders' meeting set in Article 2364-*bis*, paragraph 2, of the Italian Civil Code.~~ ~~2. Their departure from office due to the expiration of their term comes into effect when the Supervisory Board, which retains its full powers in the meanwhile, has been reconstituted..~~ ~~3. Members of the Supervisory Board must meet the requirements of honesty and professionalism, as well as the requirements of independence and those relating to limitations on the accumulation of offices laid down in the legislation, including regulations in force at the time. Specifically, pursuant to Article 148, paragraphs 3 and 4-*bis*, of Legislative Decree no. 58 of February 1998, the following persons may not be elected as members of the Supervisory Board, and, if elected, cease to hold office: (a) persons in the circumstances envisaged in Article 2382 of the Italian Civil Code; b) the spouse, relatives and up to fourth-degree relatives-in-law of directors of the Company, the directors, the spouse, relatives and up to fourth-degree relatives-in-law of directors of subsidiaries of the Company, of its parent companies and of companies under joint control; c) persons connected with the Company, its subsidiaries or parent companies or with companies under joint control, or with the directors of the Company and with persons referred to in letter b), by self- or subordinate employment relationships, or by other relations of a financial or professional nature that compromise their independence.~~ ~~4. At least 2 (two) members of the~~

	~~Supervisory Board must be chosen from statutory auditors registered in the appropriate register.~~ ~~5. The members of the Supervisory Board are entitled to a remuneration set by the shareholders' meeting at the time of their appointment for the entire period of their term of office, in addition to the refund of the expenses they incur by reason of their position. The Supervisory Board, after consulting the Remuneration Committee, determines the remuneration of those members of the Supervisory Board who are attributed either by the articles of association or by the Supervisory Board itself with particular positions, powers or functions.~~
ARTICLE 17 1. The entire Supervisory Board shall be appointed on the basis of voting for lists submitted according to the procedures and criteria under Article 18. 2. The appointment of the members of the Supervisory Board in the application of the list voting procedure under this Article 17 will be made in accordance with the following provisions: (i) 12 (twelve) members of the Supervisory Board are taken from the list that obtains the highest number of votes; (ii) for the appointment of the remaining 3 (three) members, the votes obtained by each of the lists other than that under point (i) of this paragraph and that are not connected, even indirectly, in accordance with the legislation, including regulations, in force at the time, with the shareholders who submitted or voted for the same list as that under point (i) of this paragraph will be divided subsequently by 1 (one), 2 (two) and 3 (three). The quotients obtained for each list in this way will be assigned to the first 3 (three) candidates in each list. The candidates of all the lists are then placed in a single ranking according to the quotients assigned to each candidate. The 3 (three) candidates that have been assigned the highest quotients are elected as members of the Supervisory Board. 3. Notwithstanding the provisions laid down in the preceding paragraph, if the list that has obtained the second highest number of votes has received a number of votes equal to or exceeding 20% (twenty per cent) of the share capital with the right to vote at the ordinary shareholders' meeting, the members of the Supervisory Board will be appointed in accordance with the following provisions:	~~**ARTICLE 17**~~ ~~1. The entire Supervisory Board shall be appointed on the basis of voting for lists submitted according to the procedures and criteria under Article 18.~~ ~~2. The appointment of the members of the Supervisory Board in the application of the list voting procedure under this Article 17 will be made in accordance with the following provisions:~~ ~~(i) 12 (twelve) members of the Supervisory Board are taken from the list that obtains the highest number of votes;~~ ~~(ii) for the appointment of the remaining 3 (three) members, the votes obtained by each of the lists other than that under point (i) of this paragraph and that are not connected, even indirectly, in accordance with the legislation, including regulations, in force at the time, with the shareholders who submitted or voted for the same list as that under point (i) of this paragraph will be divided subsequently by 1 (one), 2 (two) and 3 (three). The quotients obtained for each list in this way will be assigned to the first 3 (three) candidates in each list. The candidates of all the lists are then placed in a single ranking according to the quotients assigned to each~~

(i) 9 (nine) members of the Supervisory Board are taken from the list that obtains the highest number of votes; (ii) the remaining 6 (six) members are taken from the list that has obtained the second highest number of votes and that is not connected, even indirectly, with the shareholders who submitted or voted for the list that has obtained the highest number of votes. 4. If there are more than 2 (two) lists that have obtained a number of votes equal to or exceeding 20% (twenty per cent) of the share capital with the right to vote at the ordinary shareholders' meeting, there will be a second vote. The provisions of paragraph 3 above will, however, apply after the second vote. 5. In the event of the election of the Supervisory Board according to the procedure under this Article 17, the first and second candidate in the list that has obtained the highest number of votes will be appointed Chairman and Vice-Chairman of the Supervisory Board, respectively. Nevertheless, if the list that has obtained the second highest number of votes has obtained a number of votes equal to at least 20% (twenty per cent) of the share capital entitled to vote at the ordinary shareholders' meeting, the Chairman and the Vice-Chairman of the Supervisory Board will be taken from the lists with the first highest and second highest number of votes, respectively. 6. Without prejudice to the above, if one or more members of the Supervisory Board have not been appointed according to this article 17, such member or members of the Supervisory Board will be appointed by the shareholders' meeting with the relative majority of the votes cast at the shareholders' meeting and in compliance with the provisions of law.	~~candidate. The 3 (three) candidates that have been assigned the highest quotients are elected as members of the Supervisory Board.~~ ~~3. Notwithstanding the provisions laid down in the preceding paragraph, if the list that has obtained the second highest number of votes has received a number of votes equal to or exceeding 20% (twenty per cent) of the share capital with the right to vote at the ordinary shareholders' meeting, the members of the Supervisory Board will be appointed in accordance with the following provisions:~~ ~~(i) 9 (nine) members of the Supervisory Board are taken from the list that obtains the highest number of votes;~~ ~~(ii) the remaining 6 (six) members are taken from the list that has obtained the second highest number of votes and that is not connected, even indirectly, with the shareholders who submitted or voted for the list that has obtained the highest number of votes.~~ ~~4. If there are more than 2 (two) lists that have obtained a number of votes equal to or exceeding 20% (twenty per cent) of the share capital with the right to vote at the ordinary shareholders' meeting, there will be a second vote. The provisions of paragraph 3 above will, however, apply after the second vote.~~ ~~5. In the event of the election of the Supervisory Board according to the procedure under this Article 17, the first and second candidate in the list that has obtained the highest number of votes will be appointed Chairman and Vice-Chairman of the Supervisory Board, respectively. Nevertheless, if the list that has obtained the second highest number of votes has obtained a number of votes equal to at least 20% (twenty per cent) of the share capital entitled to vote at the ordinary shareholders' meeting, the Chairman and the Vice-Chairman of the Supervisory Board will be taken from the lists with the first highest and second highest number of votes, respectively.~~

	~~6. Without prejudice to the above, if one or more members of the Supervisory Board have not been appointed according to this article 17, such member or members of the Supervisory Board will be appointed by the shareholders' meeting with the relative majority of the votes cast at the shareholders' meeting and in compliance with the provisions of law.~~
ARTICLE 18 1. The submission of lists for the appointment of the Supervisory Board is governed by the legislation, including regulations, in force at the time and by the following provisions. 2. Only shareholders that, either alone or with others, hold, at the time of the submission of the list, a total number of (i) shares representing at least 1% (one per cent) of the share capital with the right to vote at the ordinary shareholders' Meetings or of (ii) a stake equal to at least to that required pursuant to article 147-*ter* of legislative decree no. 58 of 24 February 1998, and of the related regulations for the presentation of candidates to the position of director of companies with a corresponding capitalization, where this stake is less than 1% (one per cent) of the share capital with the right to vote at the ordinary shareholders' meeting are entitled to submit lists. 3. Lists show the names of at least 2 (two) candidates for positions on the Supervisory Board, numbered progressively. 4. Individual shareholders, shareholders who are party to a shareholders' agreement falling within the scope of Article 122 of Legislative Decree No. 58/1998, the parent company, subsidiaries and companies under joint control pursuant to Article 93 of Legislative Decree No. 58/1998, and the other persons among which a connection relationship exists pursuant to the legislation, including regulations, in force at the time may not submit more than one list or take part in its presentation, even through a third party or a trust company, nor may they vote for different lists; no candidate may stand in more than one list under penalty of ineligibility. Consents given and votes cast in breach of the prohibitions under this paragraph will not be attributed to any list. 5. The lists presented must be filed with the Company's registered office within the twenty-fifth day prior to the date of the shareholders' meeting called to resolve on the appointment of the members of the Supervisory Board and made available to the public at the registered office, on the Company's website and according to any other procedures required by Consob within the twenty-first	~~**ARTICLE 18**~~ ~~1. The submission of lists for the appointment of the Supervisory Board is governed by the legislation, including regulations, in force at the time and by the following provisions.~~ ~~2. Only shareholders that, either alone or with others, hold, at the time of the submission of the list, a total number of (i) shares representing at least 1% (one per cent) of the share capital with the right to vote at the ordinary shareholders' Meetings or of (ii) a stake equal to at least to that required pursuant to article 147-*ter* of legislative decree no. 58 of 24 February 1998, and of the related regulations for the presentation of candidates to the position of director of companies with a corresponding capitalization, where this stake is less than 1% (one per cent) of the share capital with the right to vote at the ordinary shareholders' meeting are entitled to submit lists.~~ ~~3. Lists show the names of at least 2 (two) candidates for positions on the Supervisory Board, numbered progressively.~~ ~~4. Individual shareholders, shareholders who are party to a shareholders' agreement falling within the scope of Article 122 of Legislative Decree No. 58/1998, the parent company, subsidiaries and companies under joint control pursuant to Article 93 of Legislative Decree No. 58/1998, and the other persons among which a connection relationship exists pursuant to the legislation, including regulations, in force at the time may not submit more than one list or take part in its presentation, even through a third party~~

day prior to the date of the shareholders' meeting. In the event that, on the expiry date of the time limit set for filing the lists, only one list has been filed, or lists have been filed which are submitted by shareholders which are connected each other, the provisions under the legislation, including regulations in force at the time, shall apply. 6. The lists must be accompanied by: a) information regarding the shareholders who have submitted them, specifying the total stake they hold, without prejudice to the fact that the certificate showing title to this stake may be produced also subsequently to the filing of the lists, provided that it occurs within the time limit set for the publication of the lists on the part of the company; b) a declaration by shareholders other than the Municipality of Brescia, the Municipality of Milan and those who hold, even jointly, a controlling interest or a relative majority stake to the effect that there are no relations as envisaged in laws and regulations, in force at the time with the latter persons; c) full information regarding the personal and professional characteristics of the candidates, as well as a declaration issued by the said candidates to the effect that they meet statutory requirements and that they accept the candidature. 7. Lists that do not comply with the above provisions will be considered as not having been submitted. 8. If lists receive the same number of votes, the list submitted by the shareholders who hold the largest stake or, subordinately, by the greatest number of shareholders, will prevail. 9. If only one list or no list is submitted, all the candidates shown in the list itself will be elected, or, respectively, the candidates voted by the shareholders' meeting, provided that they receive the relative majority of the votes cast at the shareholders' meeting. The shareholders' meeting appoints the Chairman and the Vice-Chairman of the Supervisory Board by the same majority. 10. If the requirements laid down in the regulations and the articles of association are not met, the member of the Supervisory Board concerned ceases to hold office.	~~or a trust company, nor may they vote for different lists; no candidate may stand in more than one list under penalty of ineligibility. Consents given and votes cast in breach of the prohibitions under this paragraph will not be attributed to any list.~~ ~~5. The lists presented must be filed with the Company's registered office within the twenty-fifth day prior to the date of the shareholders' meeting called to resolve on the appointment of the members of the Supervisory Board and made available to the public at the registered office, on the Company's website and according to any other procedures required by Consob within the twenty-first day prior to the date of the shareholders' meeting. In the event that, on the expiry date of the time limit set for filing the lists, only one list has been filed, or lists have been filed which are submitted by shareholders which are connected each other, the provisions under the legislation, including regulations in force at the time, shall apply.~~ ~~6. The lists must be accompanied by:~~ ~~a) information regarding the shareholders who have submitted them, specifying the total stake they hold, without prejudice to the fact that the certificate showing title to this stake may be produced also subsequently to the filing of the lists, provided that it occurs within the time limit set for the publication of the lists on the part of the company;~~ ~~b) a declaration by shareholders other than the Municipality of Brescia, the Municipality of Milan and those who hold, even jointly, a controlling interest or a relative majority stake to the effect that there are no relations as envisaged in laws and regulations, in force at the time with the latter persons;~~ ~~c) full information regarding the personal and professional characteristics of the candidates, as well as a declaration issued by the said candidates to the effect that they meet statutory requirements and that they~~

	~~accept the candidature.~~ ~~7. Lists that do not comply with the above provisions will be considered as not having been submitted.~~ ~~8. If lists receive the same number of votes, the list submitted by the shareholders who hold the largest stake or, subordinately, by the greatest number of shareholders, will prevail.~~ ~~9. If only one list or no list is submitted, all the candidates shown in the list itself will be elected, or, respectively, the candidates voted by the shareholders' meeting, provided that they receive the relative majority of the votes cast at the shareholders' meeting. The shareholders' meeting appoints the Chairman and the Vice-Chairman of the Supervisory Board by the same majority.~~ ~~10. If the requirements laid down in the regulations and the articles of association are not met, the member of the Supervisory Board concerned ceases to hold office.~~
ARTICLE 19 1. If the Supervisory Board has been appointed according to the procedure under Article 17, and during the financial year one or more members of the Supervisory Board taken from the list that has obtained the highest number of votes leave office, the replacement will be made by a resolution passed by the relative majority of the ordinary shareholders' meeting, without any obligation for the submission of lists. 2. On the other hand, should it be necessary to replace members of the Supervisory Board taken from lists other than those that obtained the highest number of votes, the shareholders' meeting, by a relative majority vote, chooses them, if possible, from among the candidates in the list to which the member of the Supervisory Board to be replaced belonged, provided that these candidates have confirmed their candidature in writing at least 10 (ten) days before the day set for the shareholders' meeting and have declared that there are no causes of ineligibility or incompatibility, as well as that they meet the requirements prescribed for the position by the legislation, including regulations, in force at the time, or by the articles of association. If it is not possible to carry out the replacement according to this procedure, the members of the Supervisory Board will be replaced by means of a resolution to be adopted by a relative majority, complying, however, with the rules	~~**ARTICLE 19**~~ ~~1. If the Supervisory Board has been appointed according to the procedure under Article 17, and during the financial year one or more members of the Supervisory Board taken from the list that has obtained the highest number of votes leave office, the replacement will be made by a resolution passed by the relative majority of the ordinary shareholders' meeting, without any obligation for the submission of lists.~~ ~~2. On the other hand, should it be necessary to replace members of the Supervisory Board taken from lists other than those that obtained the highest number of votes, the shareholders' meeting, by a relative majority vote, chooses them, if possible, from among the candidates in the list to which the member of the Supervisory Board to be replaced belonged, provided that these candidates have confirmed their candidature in writing at least 10 (ten) days before the day set for the~~

safeguarding the necessary representation of minority shareholders. 3. If at least 3 (three) members of the Supervisory Board, including the Chairman or the Vice-Chairman, cease to hold office during the financial year, the entire Supervisory Board will be considered as having ceased to hold office with effect from the time it is reconstituted. In this case, and until such reconstitution, the Supervisory Board may not proceed to the appointment of the Management Board according to Article 25 below.	~~shareholders' meeting and have declared that there are no causes of ineligibility or incompatibility, as well as that they meet the requirements prescribed for the position by the legislation, including regulations, in force at the time, or by the articles of association. If it is not possible to carry out the replacement according to this procedure, the members of the Supervisory Board will be replaced by means of a resolution to be adopted by a relative majority, complying, however, with the rules safeguarding the necessary representation of minority shareholders.~~ ~~3. If at least 3 (three) members of the Supervisory Board, including the Chairman or the Vice-Chairman, cease to hold office during the financial year, the entire Supervisory Board will be considered as having ceased to hold office with effect from the time it is reconstituted. In this case, and until such reconstitution, the Supervisory Board may not proceed to the appointment of the Management Board according to Article 25 below.~~
ARTICLE 20 1. The Supervisory Board: (a) selects and removes the members of the Management Board (including its Chairman and its Vice-Chairman) by list voting as per Article 25, who possess the technical and managerial skills required by the Appointment Committee; (b) having consulted the Remuneration Committee, determines the remuneration of the members of the Management Board with regard to their positions as such, including those who have been vested with special duties, offices or delegated powers, or who have been assigned to committees; (c) at the Management Board's proposal, resolves as to the definition of the general planning and strategic guidelines of the Company and the group (the "Group"), including both the Companies of Important Strategic Value (as defined below) and the subsidiaries owned by the Company pursuant to Article 93 of the Legislative Decree no. 58 of 24 February 1998; (d) approves the annual accounts and the consolidated financial statements prepared by the Management Board; nevertheless, if the financial statements are not approved, or if at least one-third of the members of the Management	~~**ARTICLE 20**~~ ~~1. The Supervisory Board:~~ ~~(a) selects and removes the members of the Management Board (including its Chairman and its Vice-Chairman) by list voting as per Article 25, who possess the technical and managerial skills required by the Appointment Committee;~~ ~~(b) having consulted the Remuneration Committee, determines the remuneration of the members of the Management Board with regard to their positions as such, including those who have been vested with special duties, offices or delegated powers, or who have been assigned to committees;~~ ~~(c) at the Management Board's proposal, resolves as to the definition of the general planning and strategic guidelines of the Company and the group (the "Group"), including both the Companies of Important Strategic Value (as defined below) and the~~

Board or the Supervisory Board so require, it will be the responsibility of the shareholders' meeting to approve the financial statements; (e) authorises the Management Board to exercise delegated powers (if any) for capital increases or the issue of convertible bonds granted by the shareholders' meeting pursuant to Articles 2443 and/or 2420-*ter* of the Italian Civil Code; (f) participates in the Management Board meetings by delegating powers to the Chairman and the Vice-Chairman for this purpose in compliance with the current regulations; (g) carries out the supervisory duties under Article 149, paragraphs 1 and 3, of Legislative Decree No. 58/1998 and entrusts to a committee set up within it the functions required by article 19 of legislative decree no. 39 of 27 January 2010; (h) promotes the action against the members of the Management Board; (i) reports in writing to the shareholders' meeting called, as the case may be, to approve the annual accounts or pursuant to Article 2364-*bis*, paragraph 2, of the Italian Civil Code on the supervision activities it has carried out and the omissions and blameworthy circumstances that it has found, as well as, on the occasion of all other ordinary or extraordinary meetings that are called, regarding the subjects that it considers as falling within its sphere of responsibilities; (j) in the event of new appointments to the Management Board, after consulting the Chairman of the Management Board itself, puts forward the names of candidates for the position of Managing Director of the Company, as well as expresses a binding opinion as to the person responsible for the preparation of corporate accounting documents referred to in Article 154-*bis* of Legislative Decree No. 58/1998; (k) approves the Company's and the Group's multi-year strategic, industrial and financial plans drawn up by the Management Board and the Company's strategic transactions resolved by the Management Board, without prejudice to the responsibility of the Management Board for the actions taken. The following transactions are definitely considered as being strategic for the purposes of this provision: (i) proposals to submit to the shareholders' meeting regarding capital transactions, issues of cum-warrant bonds convertible into the Company's securities, mergers and demergers; (ii) proposed amendments to the articles of association to be submitted to the shareholders' meeting; (iii) purchases, transfers or acts of disposal in general (even if carried out in one or more *tranches*) of company	~~subsidiaries owned by the Company pursuant to Article 93 of the Legislative Decree no. 58 of 24 February 1998;~~ ~~(d) approves the annual accounts and the consolidated financial statements prepared by the Management Board; nevertheless, if the financial statements are not approved, or if at least one-third of the members of the Management Board or the Supervisory Board so require, it will be the responsibility of the shareholders' meeting to approve the financial statements;~~ ~~(e) authorises the Management Board to exercise delegated powers (if any) for capital increases or the issue of convertible bonds granted by the shareholders' meeting pursuant to Articles 2443 and/or 2420-*ter* of the Italian Civil Code;~~ ~~(f) participates in the Management Board meetings by delegating powers to the Chairman and the Vice-Chairman for this purpose in compliance with the current regulations;~~ ~~(g) carries out the supervisory duties under Article 149, paragraphs 1 and 3, of Legislative Decree No. 58/1998 and entrusts to a committee set up within it the functions required by article 19 of legislative decree no. 39 of 27 January 2010;~~ ~~(h) promotes the action against the members of the Management Board;~~ ~~(i) reports in writing to the shareholders' meeting called, as the case may be, to approve the annual accounts or pursuant to Article 2364-*bis*, paragraph 2, of the Italian Civil Code on the supervision activities it has carried out and the omissions and blameworthy circumstances that it has found, as well as, on the occasion of all other ordinary or extraordinary meetings that are called, regarding the subjects that it considers as falling within its sphere of responsibilities;~~ ~~(j) in the event of new appointments to the Management Board, after consulting the Chairman of the Management Board itself, puts forward the names of candidates for the position~~

stakes, businesses or branches of business, as well as bulk sales or purchases of assets or legal relations, excluding those of a commercial nature that fall within the scope of the Company's operations, in each case if these have a unit value of more than Euro 100 (one hundred) million or, as regards stakes or businesses, if they have a gross invested capital (shareholders' equity plus financial debt) exceeding Euro 100 (one hundred) million, except for transactions indicated in the business plan or that fall within the overall amounts indicated for similar transactions in the business plan; (iv) investments by the Company and/or by Companies of Important Strategic Value with an overall counter-value exceeding Euro 200 (two hundred) million per transaction, except for transactions indicated in the business plan or that fall within the overall amounts indicated for similar transactions in the business plan; (v) establishments of joint ventures and/or the execution of and/or amendments to shareholders' agreements regarding both Companies of Important Strategic Value and companies whose turnover per financial year as shown in the related business plan for the first subsequent three-year period and then multiplied by the percentage of the joint venture held by the Company is higher than Euro 100 (one hundred) million per transaction, except for transactions indicated in the business plan or that fall within the overall amounts indicated for similar transactions in the business plan; (vi) Management Board proposals submitted to the shareholders' meeting regarding the allocation of profits, dividend policies and purchases of treasury shares; (l) considers the strategic transactions referred to in letter (k) above to be carried out by Companies of Important Strategic Value that have been submitted to the Management Board for prior consideration; (m) approves strategic guidelines and policies regarding risk management and assesses the degree of efficiency and suitability of the internal control system, with specific regard to risk control, the operation of the internal audit and the IT accounting system; (n) at the Chairman's proposal, resolves as to the actions to take as regards cultural and charitable projects, as well as the activities for the promotion of the Company's and the Group's image, with special regard to the enhancement of the history and art heritage, verifying that the actions planned correspond with the objectives that have been set; handles relations with the AEM and ASM Foundations, that have been created or that are in the process of being created, assigning equal contributions for the implementation of the annual business programmes in the present local areas of competence;	~~of Managing Director of the Company, as well as expresses a binding opinion as to the person responsible for the preparation of corporate accounting documents referred to in Article 154-*bis* of Legislative Decree No. 58/1998;~~ ~~(k) approves the Company's and the Group's multi-year strategic, industrial and financial plans drawn up by the Management Board and the Company's strategic transactions resolved by the Management Board, without prejudice to the responsibility of the Management Board for the actions taken. The following transactions are definitely considered as being strategic for the purposes of this provision:~~ ~~(i) proposals to submit to the shareholders' meeting regarding capital transactions, issues of cum-warrant bonds convertible into the Company's securities, mergers and demergers;~~ ~~(ii) proposed amendments to the articles of association to be submitted to the shareholders' meeting;~~ ~~(iii) purchases, transfers or acts of disposal in general (even if carried out in one or more *tranches*) of company stakes, businesses or branches of business, as well as bulk sales or purchases of assets or legal relations, excluding those of a commercial nature that fall within the scope of the Company's operations, in each case if these have a unit value of more than Euro 100 (one hundred) million or, as regards stakes or businesses, if they have a gross invested capital (shareholders' equity plus financial debt) exceeding Euro 100 (one hundred) million, except for transactions indicated in the business plan or that fall within the overall amounts indicated for similar transactions in the business plan;~~ ~~(iv) investments by the Company and/or by Companies of Important Strategic Value with an overall counter-value exceeding Euro 200 (two hundred) million per transaction, except for transactions indicated in the business plan or that fall within the~~

(o) through the Appointment Committee, having consulted the Chairman of the Management Board, designates the candidates to submit for the approval of the Management Board for the purpose of the appointment by the competent shareholders’ meeting of the Chairman and Vice-Chairman of the management and control bodies in the Companies of Important Strategic Value. On the other hand, the Management Board directly, having consulted the Chairman of the Supervisory Board, designates the candidates for positions as members of the management and control bodies of the Company’s subsidiaries; (p) resolves as to the mergers and demergers referred to in Articles 2505 and 2505-*bis* of the Italian Civil Code; (q) gives its prior approval to expenditure policies with regard to questions of corporate social responsibility; (r) approves the basic outlines of the Group’s organization chart, without prejudice to the responsibility of the Management Board; (s) expresses opinions on incentive and loyalty schemes for members of the management board, Group executives, employees or groups of employees; (t) gives prior authority for the Management Board to resolve as to the issue of hybrid debt instruments; (u) exercises any other power provided for in current regulations in force or by the articles of association; (v) is solely responsible, in compliance with Article 2436 of the Italian Civil Code, for resolving: (i) to establish or close down secondary offices; (ii) to reduce the share capital in the event of withdrawal of shareholders. 2. The Supervisory Board and its members exercise the powers under Article 151-*bis* of Legislative Decree No. 58/1998, according to the terms and conditions laid down therein. 3. For the purposes of the preceding paragraphs, companies that have been consolidated (on a line-by-line, proportional or equity basis) are considered as “Companies of Important Strategic Value” if they have achieved a turnover exceeding Euro 300 (three hundred) million in the last financial year.	~~overall amounts indicated for similar transactions in the business plan;~~ ~~(v) establishments of joint ventures and/or the execution of and/or amendments to shareholders’ agreements regarding both Companies of Important Strategic Value and companies whose turnover per financial year as shown in the related business plan for the first subsequent three-year period and then multiplied by the percentage of the joint venture held by the Company is higher than Euro 100 (one hundred) million per transaction, except for transactions indicated in the business plan or that fall within the overall amounts indicated for similar transactions in the business plan;~~ ~~(vi) Management Board proposals submitted to the shareholders’ meeting regarding the allocation of profits, dividend policies and purchases of treasury shares;~~ ~~(l) considers the strategic transactions referred to in letter (k) above to be carried out by Companies of Important Strategic Value that have been submitted to the Management Board for prior consideration;~~ ~~(m) approves strategic guidelines and policies regarding risk management and assesses the degree of efficiency and suitability of the internal control system, with specific regard to risk control, the operation of the internal audit and the IT accounting system;~~ ~~(n) at the Chairman’s proposal, resolves as to the actions to take as regards cultural and charitable projects, as well as the activities for the promotion of the Company’s and the Group’s image, with special regard to the enhancement of the history and art heritage, verifying that the actions planned correspond with the objectives that have been set; handles relations with the AEM and ASM Foundations, that have been created or that are in the process of being created, assigning equal contributions for the implementation of the annual business programmes in the present local areas of competence;~~

	~~(o) through the Appointment Committee, having consulted the Chairman of the Management Board, designates the candidates to submit for the approval of the Management Board for the purpose of the appointment by the competent shareholders' meeting of the Chairman and Vice-Chairman of the management and control bodies in the Companies of Important Strategic Value. On the other hand, the Management Board directly, having consulted the Chairman of the Supervisory Board, designates the candidates for positions as members of the management and control bodies of the Company's subsidiaries;~~ ~~(p) resolves as to the mergers and demergers referred to in Articles 2505 and 2505-*bis* of the Italian Civil Code;~~ ~~(q) gives its prior approval to expenditure policies with regard to questions of corporate social responsibility;~~ ~~(r) approves the basic outlines of the Group's organization chart, without prejudice to the responsibility of the Management Board;~~ ~~(s) expresses opinions on incentive and loyalty schemes for members of the management board, Group executives, employees or groups of employees;~~ ~~(t) gives prior authority for the Management Board to resolve as to the issue of hybrid debt instruments;~~ ~~(u) exercises any other power provided for in current regulations in force or by the articles of association;~~ ~~(v) is solely responsible, in compliance with Article 2436 of the Italian Civil Code, for resolving:~~ ~~(i) to establish or close down secondary offices;~~ ~~(ii) to reduce the share capital in the event of withdrawal of shareholders.~~ ~~2. The Supervisory Board and its members exercise the powers under Article 151-*bis* of Legislative Decree No. 58/1998, according to the terms and conditions laid down therein.~~ ~~3. For the purposes of the preceding paragraphs, companies that have been~~

	~~consolidated (on a line-by-line, proportional or equity basis) are considered as "Companies of Important Strategic Value" if they have achieved a turnover exceeding Euro 300 (three hundred) million in the last financial year.~~
ARTICLE 21 1. Without prejudice to the powers vested by law and by the articles of association in each member of the Supervisory Board, the Chairman of the Supervisory Board: (a) on his/her own initiative, and in any event when required by law or by the articles of association, calls and chairs the Board meetings and sets their agenda, also taking the proposals put forward by the Vice-Chairman into account, seeing that all the members of the Supervisory Board are provided with appropriate information regarding the items on the agenda; (b) together with the Vice-Chairman of the Supervisory Board, participates in the Management Board meetings, each of them being empowered to delegate this power to other members of the Supervisory Board (without prejudice to the regular operation of the governing body even if these persons are prevented from attending or are absent); (c) receives the Management Board's proposals regarding matters to submit to the approval of the Supervisory Board and makes them available to its members; (d) puts forward proposals to the Supervisory Board in relation to the strategic transactions resolved by the Management Board that are submitted to the approval of the Supervisory Board according to Article 20 above; (e) puts forward proposals to the Supervisory Board in relation to the activities connected with the control of the Company's management, with specific regard to its consistency with the control strategies and guidelines on control activities approved by the Supervisory Board; (f) carries out the functions of supervising and implementing the procedures and systems for the control of the activities of the Company and of the Group, doing so also by asking for and receiving information from the person responsible for the preparation of corporate accounting documents and from the persons responsible for the various departments concerned; (g) activates the information tools necessary to monitor the correctness and adequacy of the organisational structure and of the accounting administrative system adopted by the Company and by the Group, in compliance with the budget resolved by the Management Board and approved by the Supervisory Board; (h) calls and chairs the Appointment Committee (which	~~**ARTICLE 21**~~ ~~1. Without prejudice to the powers vested by law and by the articles of association in each member of the Supervisory Board, the Chairman of the Supervisory Board:~~ ~~(a) on his/her own initiative, and in any event when required by law or by the articles of association, calls and chairs the Board meetings and sets their agenda, also taking the proposals put forward by the Vice-Chairman into account, seeing that all the members of the Supervisory Board are provided with appropriate information regarding the items on the agenda;~~ ~~(b) together with the Vice-Chairman of the Supervisory Board, participates in the Management Board meetings, each of them being empowered to delegate this power to other members of the Supervisory Board (without prejudice to the regular operation of the governing body even if these persons are prevented from attending or are absent);~~ ~~(c) receives the Management Board's proposals regarding matters to submit to the approval of the Supervisory Board and makes them available to its members;~~ ~~(d) puts forward proposals to the Supervisory Board in relation to the strategic transactions resolved by the Management Board that are submitted to the approval of the Supervisory Board according to Article 20 above;~~ ~~(e) puts forward proposals to the Supervisory Board in relation to the activities connected with the control of the Company's management, with specific regard to its consistency with the control strategies and guidelines on control activities approved by the Supervisory Board;~~

may also be convened by the Vice-Chairman of the Supervisory Board); (i) chairs the Internal Audit Committee, it being understood that the audit department shall report to the Chairman him/herself; (l) conducts the necessary relations with the Management Board in the exercise of his/her functions and, individually, with its Chairman and/or Vice-Chairman and the Managing Directors; (m) asks for and receives information on specific aspects of the management of the Company and of the Group and on the general performance of operations, including their prospective performance; (n) oversees the management of the disclosure of information regarding the Company to outside parties, in agreement and together with the Chairman of the Management Board, availing him/herself of the competent corporate departments; (o) exercises all the other powers involved in the performance of his/her duties.	~~(f) carries out the functions of supervising and implementing the procedures and systems for the control of the activities of the Company and of the Group, doing so also by asking for and receiving information from the person responsible for the preparation of corporate accounting documents and from the persons responsible for the various departments concerned;~~ ~~(g) activates the information tools necessary to monitor the correctness and adequacy of the organisational structure and of the accounting administrative system adopted by the Company and by the Group, in compliance with the budget resolved by the Management Board and approved by the Supervisory Board;~~ ~~(h) calls and chairs the Appointment Committee (which may also be convened by the Vice-Chairman of the Supervisory Board);~~ ~~(i) chairs the Internal Audit Committee, it being understood that the audit department shall report to the Chairman him/herself;~~ ~~(l) conducts the necessary relations with the Management Board in the exercise of his/her functions and, individually, with its Chairman and/or Vice-Chairman and the Managing Directors;~~ ~~(m) asks for and receives information on specific aspects of the management of the Company and of the Group and on the general performance of operations, including their prospective performance;~~ ~~(n) oversees the management of the disclosure of information regarding the Company to outside parties, in agreement and together with the Chairman of the Management Board, availing him/herself of the competent corporate departments;~~ ~~(o) exercises all the other powers involved in the performance of his/her duties.~~
ARTICLE 22 1. The Supervisory Board meets at the intervals set out by law and in any provisions laid down in its regulations. 2. It is called by registered letter, cable, fax, e-mail or by	~~**ARTICLE 22**~~ ~~1. The Supervisory Board meets at the intervals set out by law and in any provisions laid down in its regulations.~~

any other means that enables the receipt of the notice to be documented. 3. The notice of call contains the list of items on the agenda and is sent at least 4 (four) days before the day set for the meeting, except in cases of urgency, in which this term may be reduced to 1 (one) day. 4. Supervisory Board resolutions are adopted in an open vote with the favourable vote of at least 11 (eleven) of its 15 (fifteen) members, except as provided for in Article 25 and article 26, paragraph 3, as to the appointment of the Management Board and of its Chairman and Vice-Chairman. 5. Remote participation in Supervisory Board meetings is allowed within the limits and under the conditions laid down in Article 30, paragraph 4. 6. The Supervisory Board may appoint a secretary, who need not be a member of the Board. 7. The Supervisory Board may equip itself with a structure to support its activity and that of the Committees formed within it, also availing itself of corporate structures, determining the appropriate provisions to allocate in the framework of the Company's budget forecast.	~~2. It is called by registered letter, cable, fax, e-mail or by any other means that enables the receipt of the notice to be documented.~~ ~~3. The notice of call contains the list of items on the agenda and is sent at least 4 (four) days before the day set for the meeting, except in cases of urgency, in which this term may be reduced to 1 (one) day.~~ ~~4. Supervisory Board resolutions are adopted in an open vote with the favourable vote of at least 11 (eleven) of its 15 (fifteen) members, except as provided for in Article 25 and article 26, paragraph 3, as to the appointment of the Management Board and of its Chairman and Vice-Chairman.~~ ~~5. Remote participation in Supervisory Board meetings is allowed within the limits and under the conditions laid down in Article 30, paragraph 4.~~ ~~6. The Supervisory Board may appoint a secretary, who need not be a member of the Board.~~ ~~7. The Supervisory Board may equip itself with a structure to support its activity and that of the Committees formed within it, also availing itself of corporate structures, determining the appropriate provisions to allocate in the framework of the Company's budget forecast.~~
ARTICLE 23 1. The Supervisory Board sets up an Internal Audit Committee composed of 4 (four) members including the Chairman and the Vice-Chairman, determining its powers and the rules for its functioning. 2. The Supervisory Board sets up a Remuneration Committee composed of 4 (four) members, deciding its powers and the rules for its functioning. 3. The Supervisory Board sets up an Appointment Committee composed of 4 (four) members including the Chairman and the Vice-Chairman, deciding its powers and the rules for its functioning.	**~~ARTICLE 23~~** ~~1. The Supervisory Board sets up an Internal Audit Committee composed of 4 (four) members including the Chairman and the Vice-Chairman, determining its powers and the rules for its functioning.~~ ~~2. The Supervisory Board sets up a Remuneration Committee composed of 4 (four) members, deciding its powers and the rules for its functioning.~~ ~~3. The Supervisory Board sets up an Appointment Committee composed of 4 (four) members including the Chairman and the Vice-Chairman, deciding its powers and the rules for its functioning.~~
TITLE V **MANAGEMENT BOARD**	**~~TITLE V~~** **~~MANAGEMENT BOARD~~**

ARTICLE 24 1. The Management Board is composed of 8 (eight) members, including a Chairman and a Vice-Chairman, who need not be shareholders, appointed by the Supervisory Board according to Article 25. 2. The members of the Management Board serve for 3 (three) financial years and leave office on the date of the Supervisory Board meeting called to approve the financial statements for the last financial year of their term of office, except as provided in Article 20, paragraph 1, letter d), above. Nevertheless, if the last financial year of the term of office of the Management Board coincides with the last financial year of the term of office of the Supervisory Board, the members of the outgoing Management Board will remain in office on a care-taker basis until the first meeting of the Supervisory Board after the Board has been renewed by the shareholders' Meeting. 3. Persons who are in positions of ineligibility or are subject to the loss of office under Article 2382 of the Italian Civil Code or who do not meet the requirements of honesty and professionalism, or any other requirement laid down in laws and regulations may not be appointed as members of the Management Board. In any event, members of the Management Board must have the technical and managerial skills prescribed and regulated by the Appointment Committee. One or two of them, as established in Article 25, must also meet the independence requirements prescribed by Article 148 of Legislative Decree No. 58/1998. 4. Members of the Supervisory Board may not be appointed as members of the Management Board as long as they hold such office.	~~**ARTICLE 24**~~ ~~1. The Management Board is composed of 8 (eight) members, including a Chairman and a Vice-Chairman, who need not be shareholders, appointed by the Supervisory Board according to Article 25.~~ ~~2. The members of the Management Board serve for 3 (three) financial years and leave office on the date of the Supervisory Board meeting called to approve the financial statements for the last financial year of their term of office, except as provided in Article 20, paragraph 1, letter d), above. Nevertheless, if the last financial year of the term of office of the Management Board coincides with the last financial year of the term of office of the Supervisory Board, the members of the outgoing Management Board will remain in office on a care-taker basis until the first meeting of the Supervisory Board after the Board has been renewed by the shareholders' Meeting.~~ ~~3. Persons who are in positions of ineligibility or are subject to the loss of office under Article 2382 of the Italian Civil Code or who do not meet the requirements of honesty and professionalism, or any other requirement laid down in laws and regulations may not be appointed as members of the Management Board. In any event, members of the Management Board must have the technical and managerial skills prescribed and regulated by the Appointment Committee. One or two of them, as established in Article 25, must also meet the independence requirements prescribed by Article 148 of Legislative Decree No. 58/1998.~~ ~~4. Members of the Supervisory Board may not be appointed as members of the Management Board as long as they hold such office.~~
ARTICLE 25 1. The Supervisory Board appoints the Management Board by means of the list voting procedure regulated below.	~~ARTICLE 25~~ 1~~. The Supervisory Board appoints the Management Board by means of the list voting procedure regulated below.~~

2. A number of members of the Supervisory Board not lower than 6 (six) are entitled to submit lists for appointment of the members of the Management Board.	~~a 2. A number of members of the Supervisory Board not lower than 6 (six) are entitled to submit lists for appointment of the members of the Management Board.~~
3. Lists show the names of 8 (eight) candidates numbered progressively.	~~3. Lists show the names of 8 (eight) candidates numbered progressively.~~
4. Each member of the Supervisory Board may take part in the presentation of, and vote for, only one list. Each member of the Supervisory Board may cast one vote. Consents given and votes cast in breach of the prohibitions under this paragraph will not be attributed to any list.	~~4. Each member of the Supervisory Board may take part in the presentation of, and vote for, only one list. Each member of the Supervisory Board may cast one vote. Consents given and votes cast in breach of the prohibitions under this paragraph will not be attributed to any list.~~
5. Lists must be signed by the members of the Supervisory Board who have submitted them and must be filed with the Company's registered office at least 15 (fifteen) days before the day set for the Supervisory Board meeting that is to appoint the Management Board.	~~5. Lists must be signed by the members of the Supervisory Board who have submitted them and must be filed with the Company's registered office at least 15 (fifteen) days before the day set for the Supervisory Board meeting that is to appoint the Management Board.~~
6. Lists must be accompanied by: a) the names of the members of the Supervisory Board who have submitted the lists; b) full information regarding the personal and professional characteristics of the candidates, as well as a declaration issued by the said candidates to the effect that they meet statutory requirements (including, if required, the satisfaction of the requirements prescribed by Article 148 of Legislative Decree No. 58/1998) and that they accept the candidature.	~~6. Lists must be accompanied by:~~ ~~a) the names of the members of the Supervisory Board who have submitted the lists;~~ ~~b) full information regarding the personal and professional characteristics of the candidates, as well as a declaration issued by the said candidates to the effect that they meet statutory requirements (including, if required, the satisfaction of the requirements prescribed by Article 148 of Legislative Decree No. 58/1998) and that they accept the candidature.~~
7. Lists that do not comply with the above provisions will be considered as not having been submitted.	~~7. Lists that do not comply with the above provisions will be considered as not having been submitted.~~
8. If each of the 2 (two) lists that have obtained the first highest and second highest number of votes has received 6 (six) votes or more, 4 (four) members of the Management Board will be taken from these lists in the persons of the first 4 (four) candidates in each list. Nevertheless, if at least 1 (one) board member meeting the independence requirements under Article 148 of Legislative Decree No. 58/1998 is not included among those elected in each of the 2 (two) lists, the last candidate in the list who expressed no board member who meets these requirements will be replaced by the first candidate in the same list who does meet the said requirements. In the event contemplated in this paragraph 8, however, the minimum number of board members who meet the said independence requirements must be 2 (two).	~~8. If each of the 2 (two) lists that have obtained the first highest and second highest number of votes has received 6 (six) votes or more, 4 (four) members of the Management Board will be taken from these lists in the persons of the first 4 (four) candidates in each list. Nevertheless, if at least 1 (one) board member meeting the independence requirements under Article 148 of Legislative Decree No. 58/1998 is not included among those elected in each of the 2 (two) lists, the last candidate in~~
9. Notwithstanding the provisions laid down in the preceding paragraph, if the Supervisory Board has been appointed according to Article 17, paragraph 3, the members of the Management Board will be appointed as follows. The first 5 (five) candidates will be taken from the list that has obtained the highest number of votes, in the progressive order in which they appear in the related list, while the remaining 3 (three) members will be taken,	

again in the progressive order in which they appear in the related list, from the list that has obtained the second highest number of votes. Nevertheless, if no board member among the 3 (three) taken from the list that has obtained the second highest number of votes meets the requirements under Article 148 of Legislative Decree No. 58/1998, the last candidate will be replaced by the first candidate taken from the same list who does meet the said requirements. In the event contemplated in this paragraph 9, however, the minimum number of board members who meet the said independence requirements must be 1 (one). 10. In the event of none of the circumstances respectively described in the two preceding paragraphs arising, there will be a fresh voting. If these circumstances still do not arise, the votes obtained by each list will be divided subsequently by 1 (one), 2 (two), 3 (three), 4 (four), 5 (five), 6 (six), 7 (seven) and 8 (eight). The quotients obtained for each list in this way will be assigned to the 8 (eight) candidates in each list. The candidates of all the lists are then placed in a single ranking according to the quotients assigned to each candidate. The 8 (eight) candidates that have been assigned the highest quotients are elected as members of the Management Board. It is understood that also in this event there must be at least 1 (one) board member who meets the requirements under Article 148 of Legislative Decree No. 58/1998.	~~the list who expressed no board member who meets these requirements will be replaced by the first candidate in the same list who does meet the said requirements. In the event contemplated in this paragraph 8, however, the minimum number of board members who meet the said independence requirements must be 2 (two).~~ ~~9. Notwithstanding the provisions laid down in the preceding paragraph, if the Supervisory Board has been appointed according to Article 17, paragraph 3, the members of the Management Board will be appointed as follows. The first 5 (five) candidates will be taken from the list that has obtained the highest number of votes, in the progressive order in which they appear in the related list, while the remaining 3 (three) members will be taken, again in the progressive order in which they appear in the related list, from the list that has obtained the second highest number of votes. Nevertheless, if no board member among the 3 (three) taken from the list that has obtained the second highest number of votes meets the requirements under Article 148 of Legislative Decree No. 58/1998, the last candidate will be replaced by the first candidate taken from the same list who does meet the said requirements. In the event contemplated in this paragraph 9, however, the minimum number of board members who meet the said independence requirements must be 1 (one).~~ ~~10. In the event of none of the circumstances respectively described in the two preceding paragraphs arising, there will be a fresh voting. If these circumstances still do not arise, the votes obtained by each list will be divided subsequently by 1 (one), 2 (two), 3 (three), 4 (four), 5 (five), 6 (six), 7 (seven) and 8 (eight). The quotients obtained for each list in this way will be assigned to the 8 (eight) candidates in each list. The candidates of all the lists are then placed in a single ranking according to the quotients~~

	~~assigned to each candidate. The 8 (eight) candidates that have been assigned the highest quotients are elected as members of the Management Board. It is understood that also in this event there must be at least 1 (one) board member who meets the requirements under Article 148 of Legislative Decree No. 58/1998.~~
ARTICLE 26 1. The Chairman and the Vice-Chairman of the Management Board are appointed by the Supervisory Board in accordance with the following provisions. 2. If the Management Board has been appointed according to Article 25, paragraph 8, above, the positions of Chairman and Vice-Chairman, respectively, are assumed by the first candidate from the list submitted and voted for, among others, by the Vice-Chairman of the Supervisory Board and respectively by the first candidate from the list submitted and voted for, among others, by the Chairman of the Supervisory Board. 3. If the Management Board has been appointed according to Article 25, paragraph 9, above, the Supervisory Board will select the Chairman and Vice-Chairman by a resolution to be adopted by a simple majority of the members of the Supervisory Board itself from among the candidates taken from the list that has obtained the highest number of votes. 4. In all other cases, the Supervisory Board proceeds with a resolution adopted by the majority specified in Article 22 above.	~~**ARTICLE 26**~~ ~~1. The Chairman and the Vice-Chairman of the Management Board are appointed by the Supervisory Board in accordance with the following provisions.~~ ~~2. If the Management Board has been appointed according to Article 25, paragraph 8, above, the positions of Chairman and Vice-Chairman, respectively, are assumed by the first candidate from the list submitted and voted for, among others, by the Vice-Chairman of the Supervisory Board and respectively by the first candidate from the list submitted and voted for, among others, by the Chairman of the Supervisory Board.~~ ~~3. If the Management Board has been appointed according to Article 25, paragraph 9, above, the Supervisory Board will select the Chairman and Vice-Chairman by a resolution to be adopted by a simple majority of the members of the Supervisory Board itself from among the candidates taken from the list that has obtained the highest number of votes.~~ ~~4. In all other cases, the Supervisory Board proceeds with a resolution adopted by the majority specified in Article 22 above.~~
ARTICLE 27 1. The Management Board appoints as its secretary one of its members, an executive of the Company or another person external to the Company or the Group.	~~**ARTICLE 27**~~ ~~1. The Management Board appoints as its secretary one of its members, an executive of the Company or another person external to the Company or the Group.~~
ARTICLE 28 1. If 1 (one) or more members of the Management Board cease to hold office, the Supervisory Board makes immediate arrangements for their replacement, making its selection, if possible, from among the non-elected	~~**ARTICLE 28**~~ ~~1. If 1 (one) or more members of the Management Board cease to hold office, the Supervisory Board makes immediate arrangements for their~~

candidates taken from the list to which the member of the Management Board who has ceased to hold office belonged. The terms of office of members appointed in this way expire at the same time as those of the persons serving at the time of their appointment.	~~replacement, making its selection, if possible, from among the non-elected candidates taken from the list to which the member of the Management Board who has ceased to hold office belonged. The terms of office of members appointed in this way expire at the same time as those of the persons serving at the time of their appointment.~~
2. If the majority of the members originally appointed by the Supervisory Board leave office for any reason, the entire Management Board will be considered as having ceased to hold office with effect from the date on which the newly-appointed members take office. These members will remain in office for the remaining term of the Management Board that has ceased to hold office.	~~2. If the majority of the members originally appointed by the Supervisory Board leave office for any reason, the entire Management Board will be considered as having ceased to hold office with effect from the date on which the newly-appointed members take office. These members will remain in office for the remaining term of the Management Board that has ceased to hold office.~~
ARTICLE 29 1. Management Board meetings are chaired by the Chairman or, in his/her absence, by the Vice-Chairman. In the absence of both, the eldest member takes the chair.	~~**ARTICLE 29**~~ ~~1. Management Board meetings are chaired by the Chairman or, in his/her absence, by the Vice-Chairman. In the absence of both, the eldest member takes the chair.~~
2. The minutes of Management Board meetings are drawn up by the secretary and are read and submitted to the approval of the Board itself at the immediately following meeting or, at the latest, at the subsequent meeting; they are signed by the person who was in the chair and by the secretary.	~~2. The minutes of Management Board meetings are drawn up by the secretary and are read and submitted to the approval of the Board itself at the immediately following meeting or, at the latest, at the subsequent meeting; they are signed by the person who was in the chair and by the secretary.~~
ARTICLE 30 1. The Management Board meets whenever the Chairman deems it appropriate to convene it or when it is required by at least 3 (three) of its members.	~~**ARTICLE 30**~~ ~~1. The Management Board meets whenever the Chairman deems it appropriate to convene it or when it is required by at least 3 (three) of its members.~~
2. Without prejudice to the powers of the Supervisory Board and of each of its members to call meetings in accordance with the law, it is the duty of the Chairman to call meetings, specifying the items on the agenda, even in summary form, by sending a notice to each member's domicile by any suitable means at least 3 (three) days before the day set for the meeting, except in cases of urgency, when the term is reduced to 1 (one) day. The members of the Supervisory Board must be given notice by the Chairman and Vice-Chairman in the same way.	~~2. Without prejudice to the powers of the Supervisory Board and of each of its members to call meetings in accordance with the law, it is the duty of the Chairman to call meetings, specifying the items on the agenda, even in summary form, by sending a notice to each member's domicile by any suitable means at least 3 (three) days before the day set for the meeting, except in cases of urgency, when the~~

	~~term is reduced to 1 (one) day. The members of the Supervisory Board must be given notice by the Chairman and Vice-Chairman in the same way.~~
3. More than half the serving members of the Management Board must be present in order for its meetings to be valid. 4. Remote participation in Management Board meetings is allowed through the use of suitable audio- and video-conference and/or teleconference systems, provided that all those entitled to attend can take part, can be identified and are in a position to follow the proceedings and take the floor in the discussion of the items on the agenda in real time, as well as to receive, transmit or peruse documents, so that matters are discussed and decisions are taken at the same time. In this event, the Management Board meeting is considered as having been held where the person in the chair and the secretary are located.	~~3. More than half the serving members of the Management Board must be present in order for its meetings to be valid.~~ ~~4. Remote participation in Management Board meetings is allowed through the use of suitable audio- and video-conference and/or teleconference systems, provided that all those entitled to attend can take part, can be identified and are in a position to follow the proceedings and take the floor in the discussion of the items on the agenda in real time, as well as to receive, transmit or peruse documents, so that matters are discussed and decisions are taken at the same time. In this event, the Management Board meeting is considered as having been held where the person in the chair and the secretary are located.~~
ARTICLE 31 1. The members of the Management Board are entitled to a remuneration set by the Supervisory Board, in addition to the refund of the expenses they incur by reason of their position. The Supervisory Board will also set the remuneration of members of the Management Board in which are vested particular duties contemplated in the articles of association.	~~**ARTICLE 31**~~ ~~1. The members of the Management Board are entitled to a remuneration set by the Supervisory Board, in addition to the refund of the expenses they incur by reason of their position. The Supervisory Board will also set the remuneration of members of the Management Board in which are vested particular duties contemplated in the articles of association.~~
ARTICLE 32 1. The Management Board adopts its resolutions in an open vote with the favourable vote of the majority of its members. 2. Nevertheless, the favorable votes of at least 7 (seven) members of the Management Board are necessary to approve proposals to submit to the Supervisory Board and/or for matters for which the prior authority of the Supervisory Board is necessary, pursuant to the provisions under Article 20 above.	~~**ARTICLE 32**~~ ~~1. The Management Board adopts its resolutions in an open vote with the favourable vote of the majority of its members.~~ 2. ~~Nevertheless, the favourable votes of at least 7 (seven) members of the Management Board are necessary to approve proposals to submit to the Supervisory Board and/or for matters for which the prior authority of the Supervisory Board is necessary~~, pursuant to the provisions under Article 20 above.
ARTICLE 33 1. It is the exclusive responsibility of the Management	~~**ARTICLE 33**~~ ~~1. It is the exclusive responsibility of~~

Board to conduct business in compliance with the authorities and powers of the Supervisory Board. For this purpose, it performs all the operations necessary, useful or in any way expedient for the attainment of the corporate purpose, whether these involve ordinary or extraordinary management. The Management Board may also delegate its duties to one or more of its members pursuant to Articles 2409-*novies* and 2381 of the Italian Civil Code.	~~the Management Board to conduct business in compliance with the authorities and powers of the Supervisory Board. For this purpose, it performs all the operations necessary, useful or in any way expedient for the attainment of the corporate purpose, whether these involve ordinary or extraordinary management. The Management Board may also delegate its duties to one or more of its members pursuant to Articles 2409-*novies* and 2381 of the Italian Civil Code.~~

ARTICLE 34 1. The Management Board reports specifically to the Supervisory Board on the general performance of operations, as well as on the most significant transactions by size and characteristics carried out by the Company or its subsidiaries, and in any event reports transactions in which the members of the Management Board itself have an interest on their own behalf or on behalf of third parties. 2. Reports are made at Supervisory Board meetings and in any event at least on a quarterly basis. They may also be submitted in writing.	~~**ARTICLE 34**~~ ~~1. The Management Board reports specifically to the Supervisory Board on the general performance of operations, as well as on the most significant transactions by size and characteristics carried out by the Company or its subsidiaries, and in any event reports transactions in which the members of the Management Board itself have an interest on their own behalf or on behalf of third parties.~~ ~~2. Reports are made at Supervisory Board meetings and in any event at least on a quarterly basis. They may also be submitted in writing.~~
ARTICLE 35 1. The Chairman of the Management Board: a) is the Company’s authorized representative and signatory, as specified in greater detail in Article 36; b) calls Management Board meetings, sets its agenda, coordinates its proceedings and sees that all its members are provided with appropriate information regarding the items on the agenda; c) directs the external relations and general affairs departments and, together with the Chairman of the Supervisory Board, handles relations between the Company and the financial institutions, the media, the independent Authorities and the public entities.	~~**ARTICLE 35**~~ ~~1. The Chairman of the Management Board:~~ ~~a) is the Company’s authorised representative and signatory, as specified in greater detail in Article 36;~~ ~~b) calls Management Board meetings, sets its agenda, coordinates its proceedings and sees that all its members are provided with appropriate information regarding the items on the agenda;~~ ~~c) directs the external relations and general affairs departments and, together with the Chairman of the Supervisory Board, handles relations between the Company and the financial institutions, the media, the independent Authorities and the public entities.~~
ARTICLE 36 1. The Chairman of the Management Board represents the Company in acting and defending itself against third parties and in judicial proceedings, before any Court of any degree and instance and is severally granted signatory powers on behalf of the Company. 2. The Chairman of the Management Board has the power to bring legal actions in connection with all corporate management and governance acts, to submit appeals to all judicial and jurisdictional Authorities, the administrative and tax Authorities and Commissions, to grant general or special powers of attorney for litigation purposes and to elect domicile, also in order to take civil action.	~~**ARTICLE 36**~~ ~~1. The Chairman of the Management Board represents the Company in acting and defending itself against third parties and in judicial proceedings, before any Court of any degree and instance and is severally granted signatory powers on behalf of the Company.~~ ~~2. The Chairman of the Management Board has the power to bring legal actions in connection with all corporate management and governance acts, to submit appeals to all judicial and jurisdictional Authorities, the administrative and tax Authorities and Commissions, to grant general or~~

3. Within the sphere of his/her powers, the Chairman may appoint agents with limited authority for certain acts or categories of acts.	~~special powers of attorney for litigation purposes and to elect domicile, also in order to take civil action.~~ ~~3. Within the sphere of his/her powers, the Chairman may appoint agents with limited authority for certain acts or categories of acts.~~
ARTICLE 37 1. The Management Board has the power of authorizing Managing Directors, its own members, executives, officers and other members of staff in head offices and sub-offices to sign on behalf of the Company jointly or severally, with whatever limitations and specifications it deems appropriate, and may also appoint attorneys with determinate powers.	~~**ARTICLE 37**~~ 1. ~~The Management Board has the power of authorizing Managing Directors, its own members, executives, officers and other members of staff in head offices and sub-offices to sign on behalf of the Company jointly or severally, with whatever limitations and specifications it deems appropriate, and may also appoint attorneys with determinate powers~~.
TITLE VI **MANAGING DIRECTORS**	~~**TITLE VI**~~ ~~**MANAGING DIRECTORS**~~
ARTICLE 38 1. As indicated by the Supervisory Board and after consulting its Chairman, the Management Board may appoint up to 2 (two) Managing Directors, and it may select them from among its members. 2. Within the limits permitted by law, the Management Board resolves as to the matters involving discharge or dismissal, remuneration, sanctions and any other aspect relating to the Managing Directors' employment relationship.	~~**ARTICLE 38**~~ ~~1. As indicated by the Supervisory Board and after consulting its Chairman, the Management Board may appoint up to 2 (two) Managing Directors, and it may select them from among its members.~~ ~~2. Within the limits permitted by law, the Management Board resolves as to the matters involving discharge or dismissal, remuneration, sanctions and any other aspect relating to the Managing Directors' employment relationship.~~
ARTICLE 39 1. After seeking the binding opinion of the Supervisory Board, the Management Board appoints and removes the Executive responsible for the preparation of accounting documents, pursuant to Article 154-*bis* of Legislative Decree No. 58/1998 and sets his/her remuneration. Apart from meeting the requirements of honesty prescribed in regulations in force at the time for those carrying out governing and management functions, the Executive responsible for the preparation of corporate accounting documents must possess professional ability characterized by specific administrative and accounting skills. These skills, which are to be ascertained by the Management Board itself, must have been acquired through work experience at an appropriate level of responsibility for a suitable period of time.	~~**ARTICLE 39**~~ ~~1. After seeking the binding opinion of the Supervisory Board, the Management Board appoints and removes the Executive responsible for the preparation of accounting documents, pursuant to Article 154-*bis* of Legislative Decree No. 58/1998 and sets his/her remuneration. Apart from meeting the requirements of honesty prescribed in regulations in force at the time for those carrying out governing and management functions, the Executive responsible for the preparation of corporate accounting documents must possess professional ability characterized by specific administrative and accounting skills.~~

	~~These skills, which are to be ascertained by the Management Board itself, must have been acquired through work experience at an appropriate level of responsibility for a suitable period of time.~~
	Title IV **MANAGEMENT**
	ARTICLE 16 **1. The Company shall be managed by a Board of Directors having 12 (twelve) members, who may also not be shareholders, who shall remain in office for three financial years and whose term shall expire at the date of the shareholders' meeting called to approve the financial statements for the last year in which they were in office; members of the Board of Directors may be re-elected and fall from office in accordance with the requirements of law.** **The members of the Board of Directors shall hold the requirements of integrity and professionalism prescribed by current laws and regulations.**

	ARTICLE 17 **1. Members of the Board of Directors are elected under a voting system based on lists on which there must be at least two candidates who are allocated a sequential number.** **Each list shall contain a number of candidates belonging to the lesser represented gender which shall ensure a balance between the genders at least to the minimum extent required by current laws and regulations. Lists containing fewer than 3 (three) candidates shall be exempt from this restriction.** **2. The appointment of members of the Board of Directors shall be carried out in the following manner:** **(i) 9 (nine) members of the board are taken from the list obtaining the highest number of votes on the basis of the sequential order in which they have been listed;** **(ii) for the appointment of the remaining 3 (three) members, the votes which have been obtained by each of the lists other than that at paragraph (i) and which have not been presented by or voted for by shareholders who are related under current legislation with the shareholders who have presented or voted for the list at paragraph (i) are subsequently divided by one, two and three. The quotients thereby obtained are sequentially allocated to the candidates of each list in the order contained in the list.** **The candidates are consequently placed in a classification in decreasing order, on the basis of the quotients assigned to each candidate. The candidates having the highest quotients shall be elected until the places of all the members to be elected have been filled. If candidates on different lists have the same quotients, for the last member to be elected preference will be given to the candidate on the list which has obtained the highest number of votes or, in the case of further parity, to the older or oldest candidate.** **3. As an exception to the requirements of the previous paragraph, where the list that has obtained the second highest number of votes has received votes totaling 20% (twenty per cent) or more of**

	the Company's share capital with voting rights at an ordinary shareholders' meeting, the members of the Board of Directors shall be appointed in the following manner: (i) 9 (nine) members of the Board of Directors shall be taken from the list obtaining the highest number of votes; (ii) the remaining 3 (three) members shall be taken from the list which obtained the second highest number of votes and which has no direct or indirect relationship with the shareholders who presented or voted for the list which obtained the highest number of votes. 4. A new round of voting shall be held in case there are more than 2 (two) lists which receive votes totaling 20% (twenty per cent) or more of the Company's share capital with voting rights at an ordinary shareholders' meeting. Paragraph 3 shall in any case apply once voting has been completed. 5. If candidates on different lists have the same quotients, for the last member to be elected preference will be given to the candidate on the list which has obtained the highest number of votes or, in the case of further parity, to the older or oldest candidate. 6. Lists must include at least two candidates holding the independence requirements established for statutory auditors by article 148, paragraph 3 of Legislative Decree no. 58/1998 and those prescribed by the corporate governance code drawn up by the Corporate Governance Committee of Borsa Italiana S.p.A.. 7. If the Board of Directors is elected by the procedure envisaged by this article 17, the first and second candidate on the list obtaining the highest number of votes shall be appointed as the Chairman of the Board of Directors and the Deputy Chairman of the Board of Directors. Nevertheless, if the list obtaining the second highest number of votes receives votes which are equal to at least 20% (twenty per cent) of the Company's share capital with voting rights at an ordinary shareholders' meeting, the Chairman of the Board of Directors shall be selected from the first list by the number of votes

	obtained and the Deputy Chairman of the Board of Directors from the second list by the number of votes obtained. **8. Each list shall contain a number of candidates belonging to the lesser represented gender which shall ensure a balance between the genders at least to the minimum extent required by current laws and regulations.** **If on completion of the above-mentioned voting procedure and operations it should turn out that current legislation on gender balance has not been adhered to, the candidates elected from the various lists are placed in a single classification in decreasing order, formed in accordance with the quotient system describe in article 17(ii). The candidate of the more represented gender with the lowest quotient in that classification is then replaced by the first unelected candidate of the lesser represented gender belonging to the same list. If after replacing the candidate of the more represented gender having the lowest quotient in the classification the minimum threshold established by current law for a gender balance is still not reached, then replacement as described above is repeated with reference to the candidate of the more represented gender having the second lowest quotient, and so on, working upwards in the classification. In the case of equal quotients, replacement is carried out with respect to the candidate taken from the list which obtained the highest number of votes.** **If there are no other candidates of the lesser represented gender on such list, the above replacement is carried out by the shareholders' meeting using the majorities established by law and respecting the principle of a proportional representation of minorities on the Board of Directors.** **9. The submission of lists for the appointment of the Board of Directors is governed by the laws and regulations in force at the time and by the following provisions.** **(a) Only shareholders who, either alone or with others, hold at the time of the submission of the list (i) a total number of**

	shares representing at least 1% (one per cent) of the share capital with the right to vote at ordinary shareholders' meetings or (ii) an equity interest equal to at least to that required pursuant to article 147-ter of Legislative Decree no. 58 of February 24, 1998 and the related regulations for the presentation of candidates as directors of companies with a corresponding capitalization, where this interest is less than 1% (one per cent) of the share capital with the right to vote at the ordinary shareholders' meeting, are entitled to submit lists. **(b) Lists shall bear the names of the candidates standing for appointment to the Board of Directors, to each of which a sequential number is allocated.** **(c) Individual shareholders, shareholders who are party to a material shareholders' agreement falling within the scope of article 122 of Legislative Decree no. 58 of February 24, 1998, the parent company, subsidiaries and companies under common control pursuant to article 93 of Legislative Decree no. 58 of February 24, 1998 and other parties between whom there is a connection relationship pursuant to laws and regulations in force at the time, may not submit more than one list or take part in the submission of that list, nor may they vote for different lists; no candidate may stand in more than one list under penalty of ineligibility. Consents given and votes cast in breach of the prohibitions under this paragraph will not be attributed to any list.** **(d) The submitted lists must be filed with the Company's registered office within the twenty-fifth day prior to the date of the shareholders' meeting called to resolve on the appointment of the members of the Board of Directors and must be made available to the public at the Company's registered office, on the Company's website and according to any other procedures required by Consob within the twenty-first day prior to the date of the shareholders' meeting. In the event that, on the expiry date of the time limit set for filing the lists, only one list has been filed, or lists have been filed which are submitted by shareholders who are connected each other, the provisions**

	under the laws and regulations in force at the time shall apply. **(e) The lists must be accompanied by:** **(i) information regarding the shareholders who have submitted them, specifying the total interest they hold, without prejudice to the fact that the certificate showing title to this interest may be produced also subsequent to the filing of the lists, provided that this occurs within the time limit set for the publication of the lists by the Company;** **(ii) a declaration by shareholders, other than the Municipality of Brescia, the Municipality of Milan and those who hold, also jointly, a controlling interest or a relative majority interest, to the effect that there are no relations with such persons as prescribed by laws and regulations in force at the time;** **(iii) full information regarding the personal and professional characteristics of the candidates, as well as a declaration issued by the said candidates to the effect that they meet statutory requirements and that they accept the candidature;** **(f) lists that do not comply with the above provisions will be considered as not having been submitted.** **(g) if lists receive the same number of votes, the list submitted by the shareholders who hold the largest interest or, subordinately, the list submitted by the highest number of shareholders, will prevail.** **(h) if only one list or no list is submitted, all the candidates included on the list will be elected, or, respectively, the candidates voted by the shareholders' meeting, provided that they receive the relative majority of the votes cast at that meeting. If no list is presented the shareholders' meeting appoints the Chairman and the Deputy Chairman of the Board of Directors by the same majority (articles 16 and 17).**
	ARTICLE 18 **1. If during the year one or more directors other than the Managing Director who have been appointed on the basis of the list vote leave office, their place shall be taken by the director or directors co-opted in accordance with article 2386 of the Italian Civil Code who are the first**

	unelected candidates on the list to which the directors who have left office belonged and who are not yet members of the Board of Directors, respecting the gender balance prescribed by current laws and regulations. If for any reason no names are available or if the director leaving office is the Managing Director, the board shall co-opt a director in accordance with article 2386 of the Italian Civil Code respecting the principle of gender balance. Directors co-opted by the Board of Directors shall remain in office until the next shareholders' meeting, which will then replace the director leaving office. **If one or more directors appointed on a list vote basis and taken from the list that obtained the highest number of votes has to be replaced, the replacement of that director or those directors shall be approved by a resolution of an ordinary shareholders' meeting adopted with a relative majority, without the requirement for a list.** **2. If on the other hand members of the Board of Directors have to be replaced who have been selected from lists other than the one obtaining the highest number of votes, the shareholders' meeting shall where possible select the replacements on the basis of a relative majority vote from the candidates included on the list on which the director to be replaced was a member.** **If it is not possible to perform this replacement procedure, the members of the Board of Directors shall be replaced on the basis of a resolution adopted with a relative majority, nonetheless respecting the necessary representation of minorities.** **3. The term in office of the members of the Board of Directors appointed in this manner shall expire at the same time as the term of the directors in office when they were appointed.** **4. The procedure for replacing one or more directors shall be carried out respecting current legislation on gender balance.** **5. If for any reason the majority of the members of the Board of Directors should leave office the whole board shall expire.**

	ARTICLE 19 **1. Pursuant to article 2381 of the Italian Civil Code the Chairman calls meetings of the Board of Directors, establishes the agenda of the meeting, coordinates the proceedings and arranges for adequate information on the matters on the agenda to be provided to all of the directors.** **2. In the absence and/or impediment of the Chairman, the Deputy Chairman shall carry out the duties of the Chairman.**
	ARTICLE 20 **1. The Board of Directors shall meet at the Company's registered office or at another location whenever the Chairman believes it appropriate or when a request is made by at least 3 (three) members of the board.** **2. The call notice, together with a description, which may be in summary form, of the matters on the agenda, shall be prepared by the Chairman and sent to the domicile of each member by any suitable means with notice of at least 3 (three) days before the date set for the meeting, save in cases of urgency when the notice period shall be reduced to 1 (one) day. The members of the Board of Statutory Auditors shall also be notified of calls to board meetings in the same way.** **3. For meetings of the Board of Directors to be valid more than half of the members in office must attend. Resolutions of the Board of Directors shall be valid if all the directors and all the standing statutory auditors attend, even if the formalities in paragraph 2 are not complied with.** **4. Remote attendance at meetings of the Board of Directors by suitable audio-video-conference and/or teleconference systems is permitted on condition that all the people entitled to attend the meeting are able to participate and can be identified, and that they are allowed to follow the meeting and intervene in real time on the matters under discussion, as well as receive, transmit or take vision of documents and review these and take part in board decisions to adopt resolutions at the same time. In these case the meeting of the Board of Directors shall be considered to have**

	taken place at the place where the chairman and secretary of the meeting are located.
	ARTICLE 21 **Members of the Board of Directors shall be entitled to the remuneration established for their whole term of office by the shareholders' meeting on appointment, as well as to the reimbursement of expenses incurred for their position. After consulting with the Remuneration Committee and the Board of Statutory Auditors, the Board of Directors shall establish the emoluments payable to directors who are members of the Executive Committee and directors assigned specific positions, powers or duties by the Company's Articles of Association or by the Board of Directors.**
	ARTICLE 22 **1. Resolutions of the Board of Directors are adopted by an open voting procedure by a vote of the majority of its members in office.** **2. Resolutions of the Board of Directors regarding the approval of business and financial plans, annual budgets, the appointment of the Executive Committee, the appointment of any General Managers, the merger or demerger of subsidiaries whose annual revenues exceed 200,000,000.00 euros, the sale of equity interests in companies whose annual revenues exceed 200,000,000.00 euros, the acquisition of controlling investments whose annual revenues exceed 200,000,000.00 euros and recommendations for the names of the respective managing directors for subsidiaries whose annual revenues exceed 200,000,000.00 euros are adopted with the vote in favor of at least 9 (nine) members.**
	ARTICLE 23 **1. Resolutions adopted by the Board of Directors are recorded in minutes signed by the Chairman and the Secretary.**
	ARTICLE 24 **1. The Board of Directors has the broadest possible powers for conducting the ordinary and extraordinary management of the Company, without limitations and with the right to carry out all the measures considered necessary or**

	appropriate for achieving the corporate purpose, excluding only those which are obligatorily reserved for shareholders' meetings by law or by these Articles of Association. **2. The Board of Directors may delegate part of its duties, except those stated at point 2 of article 22 of these Articles of Association, or part of its powers, including the use of the company signature, to the Managing Director and/or to the Executive Committee; it may also assign special engagements and special duties of a technical and administrative nature to one or more of its members. In that case the Board of Directors may resolve special emoluments and specific remuneration, after consulting with the Remuneration Committee, on assigning the engagement or subsequently, although in all cases must consult with the Board of Statutory Auditors; all of which in accordance with article 2389 of the Italian Civil Code.** **3. The Board of Directors may additionally appoint an Executive Committee, determining its composition and powers, as described in further detail in Title V.** **4. The directors shall report to the Board of Statutory Auditors on a timely basis and in any case at least quarterly, as a rule during a meeting of the Board of Directors or also directly by way of a written note sent to the Chairman of the Board of Statutory Auditors, detailing the activity carried out and transactions of greater economic or financial importance or having significant effects on equity or assets which have been carried out by the Company or its subsidiaries. In particular, the directors shall report on any transactions in which they have an interest, on their own behalf or on the behalf of third parties, or which may be influenced by the party exercising management and coordination activities. The information provided to the Board of Statutory Auditors may also be provided, for reasons of timeliness, directly or at meetings of the Executive Committee.** **5. Directors shall, pursuant to article 2391 of the Italian Civil Code, notify the other directors and the Board of Statutory Auditors of any interest they may have,**

	on their own behalf or on behalf of third parties, in a specific operation being carried out by the Company, describing its nature, terms, origin and size; if the director is the Managing Director he/she shall abstain from carrying out the operation, assigning this duty to the collegiate body. **6. The Board of Directors shall have the responsibility for appointing and removing a manager responsible for preparing the corporate accounting documents, subject to the opinion of the Board of Statutory Auditors.** **The manager responsible for preparing the corporate accounting documents shall have a total experience of at least three years in performing:** **a) managerial duties in preparing and/or analyzing and/or evaluating and/or checking corporate documents which present accounting problems of a complexity comparable with those regarding the Company's accounting documents; or** **b) activities as the legal auditor of companies whose shares are listed on regulated Italian markets or the regulated markets of other European Union countries; or** **c) professional activities or university teaching with a permanent position concerning financial or accounting matters; or** **d) managerial duties in public entities or public administrations operating in the financial or accounting sector.**
	ARTICLE 25 **1. The Chairman of the Board of Directors:** **a) acts as the Company's legal representative and may sign on the Company's behalf, as described further in article 26;** **b) calls meetings of the Board of Directors, establishes the agenda of the meeting, coordinates the proceedings and arranges for adequate information on the matters on the agenda to be provided to all the directors;** **c) is head of external relations and general affairs and looks after relations between the Company and financial institutions, the media, the independent authorities and public institutions.**

	ARTICLE 26 **1. The Chairman of the Board of Directors may represent the Company in the pursuit and defense of legal actions regarding third parties and in court, before any tribunal of any instance or level, and has sole signing authority on the Company's behalf.** **2. The Chairman of the Board of Directors may bring legal action for all matters regarding the Company's management and administration, may lodge appeals with all judicial and jurisdictional authorities and all administrative and fiscal authorities and commissions and may issue general and special powers of attorney for legal proceedings with election of domicile, including when civil action is being brought.** **3. As part of his/her powers the Chairman may appoint special attorneys for certain specific acts or categories.**
	ARTICLE 27 **1. The Board of Directors may grant signatory powers to its members, to executives, to company officers and to any other persons working at the Company's offices or sites either jointly or separately, with the limitations and clarifications it considers suitable, and may also appoint officers having specific powers.**
	TITLE V **EXECUTIVE COMMITTEE - COMPOSITION, DUTIES AND RESPONSIBILITIES AND MEANS OF PROCEEDING**
	ARTICLE 28 **1. The Board of Directors may appoint an internal Executive Committee, establishing the number of its members, the members themselves, its duration and its powers.** **2.The Executive Committee shall have up to 5 (five) members. As they are appointed from members of the Board of Directors, the members of the Executive Committee shall not receive a fee for their work and the Company shall not incur any additional costs in this respect.** **3. The Executive Committee shall meet whenever the Chairman believes it**

	necessary or at the request of at least one third of its members. 4. The Chairman of the Board shall chair meetings or in his/her absence or impediment the most senior committee member from those present. 5. An absolute majority of members in office is required for meetings to be valid. An absolute majority of the votes of those in attendance is required to adopt resolutions. If a member abstains from voting due to an interest which he/she holds on his/her behalf or on behalf of third parties in the operation, abstaining members shall be counted for the purpose of determining whether the committee meeting is properly constituted but shall not be counted for the purpose of determining the majority required for adopting a resolution. The Board of Statutory Auditors attends meetings. 6. In case of a tied vote a motion shall be considered rejected. 7. Meetings are also valid if they are not called as described above provided that all the members of the Executive Committee and the Board of Statutory Auditors attend. 8. Participants may attend meetings of the Executive Committee by remote link through the use of video/teleconference systems in accordance with the requirements of article 20, paragraph 4. The directors and statutory auditors linked to the meeting in this way must be in a position to have at their disposal the same documentation distributed to the persons present at the place where the meeting is being held. 9. The functions of the Secretary to the Executive Committee are performed by the Secretary to the Board of Directors, or in his/her absence or impediment, by a replacement whom the Committee shall appoint from its members or from the Company's executives or middle management. 10. The Chairman may invite Company employees or external consultants to committee meetings when specific matters are under discussion.
	ARTICLE 29 1. The Executive Committee shall have all

	the duties and powers delegated to it by the Board of Directors, within the limits established by the Articles of Association and in any case in compliance with the requirements of the law and article 2381 of the Italian Civil Code in particular. **2. Specifically excluded is the possibility for powers to be delegated to the committee in respect of the preparation of the financial statements, the calling of shareholders' meetings and the distribution of interim dividends.** **3. The resolutions of the Executive Committee must be recorded in minutes transcribed in a specific minute book, signed by the Chairman and the Secretary. Copies certified as true by the Chairman, or whoever is acting on his/her behalf, or by the Secretary shall provide full evidence.**
	TITLE VI **STATUTORY AUDTITORS**
	ARTICLE 30 **1. The shareholders' meeting shall appoint a Board of Statutory Auditors consisting of three standing auditors and two substitute auditors according to the procedures and time limits laid down by law and shall designate its chairman in accordance with the requirements of paragraph 31.6. Statutory Auditors shall remain in office for a term of three years which expires at the date of the shareholders' meeting called to approve the financial statements for the final year of their period in office.** **2. Statutory auditors must hold the requirements of integrity and professionalism prescribed by current legislation.** **3. For the purpose of ascertaining whether the members of the Board of Statutory Auditors hold the requirement of professionalism for listed companies for matters and sectors of activity strictly related to those of the Company's business, the matters and sectors of activity connected with or relating to the Company's business shall be understood to be those stated in article 4. Regarding the composition of the Board of Statutory Auditors, the provisions of current laws and regulations shall apply with respect**

	to situations of ineligibility and limits on the number of management and control positions which may be held concurrently by members of the Board of Statutory Auditors. In addition, none of the Company's statutory auditors may concurrently hold a position on the Board of Statutory Auditors of any of the Company's subsidiaries. If this is the case, the auditor shall no longer hold the position as one of the Company's statutory auditors.
	ARTICLE 31 **1. Statutory auditors shall be appointed on the basis of lists submitted by shareholders following the procedure described below in order that the minority shall appoint one standing auditor and one substitute auditor.** **Lists shall contain at least two candidates for election, each allocated a sequential number. Candidates may only be included in one list, under penalty of ineligibility.** **Each list must contain a number of candidates belonging to the lesser represented gender which shall ensure a balance between the genders at least to the minimum extent required by current laws and regulations. Lists containing fewer than 3 (three) candidates shall be exempt from this restriction.** **2. Only shareholders who, either alone or with others, hold at the time of the submission of the list (i) a total number of shares representing at least 1% (one per cent) of the share capital with the right to vote at ordinary shareholders' meetings or (ii) an equity interest equal to at least to that required pursuant to article 147-ter of Legislative Decree no. 58 of February 24, 1998 and the related regulations for the presentation of candidates as directors of companies with a corresponding capitalization, where this interest is less than 1% (one per cent) of the share capital with the right to vote at the ordinary shareholders' meeting, are entitled to submit lists.** **3. Shareholders may submit, or take part in submitting, one single list. If this rule is breached the relative shareholder's vote will not be taken into account for any of the lists submitted.** **4. The lists signed by the shareholders**

	submitting them, under penalty of ineligibility, must be lodged at the Company's registered office, together with a declaration that there are no agreements or relations of any kind with other shareholders, within the twenty-fifth day prior to that of the shareholders' meeting; the lists must be made available to the public by the means and timing set out in article 17.5. **Within the deadline set for the filing of the lists, declarations must be filed in which the individual candidates accept their candidature and state, under their own responsibility, that there are no reasons under the law why they may be considered ineligible or incompatible and that they meet the requirements of integrity and professionalism prescribed by law for members of a Board of Statutory Auditors, providing a list of any management and control positions they hold in other companies. Any list which fails to meet the above requirements or which does not include candidates of a different gender in compliance with the requirements of article 31.1 of the Articles of Association shall be considered as not having been submitted. Persons entitled to vote may only vote for one list.** **5. Two standing auditors and one substitute auditor, of whom at least one standing auditor is of the lesser represented gender, shall be drawn from the list obtaining the highest number of votes cast by the shareholders, in the order in which they are listed.** **The third standing auditor and the other substitute auditor shall be drawn from the other lists, with the first and second candidate of the list obtaining the second highest quotient being respectively elected, of whom at least one substitute auditor must be of the lesser represented gender. If two or more lists obtain the same number of votes, the older or oldest candidate shall be elected as statutory auditor, respecting the gender balance prescribed by current laws and regulations. If the minimum number of standing and substitute statutory auditors belonging to the lesser represented gender are not elected, the candidate of the more represented gender who is last**

	in the classification of the candidates elected from the most voted list shall be replaced by the candidate of the lesser represented gender who is first among the non-elected persons of the same list and so on until the minimum number of statutory auditors belonging to the lesser represented gender is reached. If the minimum number of statutory auditors belonging to the lesser represented gender is still not reached by applying this criterion, the above replacement criterion shall be applied to the minority lists, starting from the one which has received the highest number of votes. **6. The chairman of the Board of Statutory Auditors shall be the first candidate of the list obtaining the second highest quotient. If two or more lists receive the same number of votes, the chairman shall be the older or oldest candidate, respecting the gender balance prescribed by current laws and regulations. The shareholders' meeting shall adopt resolutions by the majorities prescribed by law in the case of the appointment of statutory auditors who for any reason are not appointed by the list vote procedure, respecting the gender balance prescribed by current laws and regulations.** **7. If a standing auditor is replaced, the substitute auditor belonging to the list of the auditor being replaced shall take his/her place, respecting the principle of the necessary representation of the minorities and the gender balance.** **The shareholders' meeting shall appoint statutory auditors for supplementing the Board of Statutory Auditors within the meaning of article 2401 of the Italian Civil Code by the majorities prescribed by law, selecting from the names indicated by the shareholders submitting the list to which the statutory auditor leaving office belonged, respecting the principle of the necessary representation of the minorities and the gender balance; if this is not possible, the shareholders' meeting shall replace the auditor by the majorities prescribed by law, respecting the gender balance prescribed by current laws and regulations.** **8. The shareholders' meeting shall establish the fees due to the statutory**

	auditors and the reimbursement of expenses incurred for performing the engagement. **The powers and duties of the statutory auditors and their term in office are those established by law.**
	ARTICLE 32 **1. The legal audit of the accounts shall be performed by a firm performing legal audits having the requirements of law.** **2. Based on the reasoned proposal of the Board of Statutory Auditors, the shareholders' meeting shall award the engagement for the legal audit of the accounts to a firm performing legal audits registered in the special roll and shall set its fees.** **The engagement to perform the legal audit of the accounts shall have a term complying with the legislative provisions applicable from time to time and shall expire at the date of the shareholders' meeting called to approve the financial statements for the final year of the term of the engagement.**
TITLE VII **COMPANY ACCOUNTS AND PROFITS**	**Title VII** **COMPANY ACCOUNTS AND PROFITS**
ARTICLE 40 1. The financial year shall run from January 1 to December 31 of each year. 2. Within the deadlines and according to the procedures provided for by law, the Management Board shall draw up the draft annual accounts, accompanied by the documents established by law, and transmit them to the Supervisory Board at least 30 (thirty) days prior to the term set for the meeting of the Supervisory Board called to approve the accounts themselves.	**ARTICLE ~~40~~ 33** 1. *Unchanged* 2. Within the deadlines and according to the procedures provided for by law, the ~~Management Board~~ **Board of Directors** shall draw up the draft annual accounts, accompanied by the documents established by law, and transmit them to the ~~Supervisory Board~~ **Board of Statutory Auditors** at least 30 (thirty) days prior to the term set for the ~~meeting of the Supervisory Board~~ **shareholders' meeting** called to approve the accounts themselves.
ARTICLE 41 1. In order to also protect public interest, the annual accounts shall be audited by a major accounting firm. 2. The audit findings shall be then notified to the Town Council of Brescia and to the Town Council of Milan.	**ARTICLE ~~41~~ 34** *Unchanged*
ARTICLE 42 1. The Company's net profits resulting from the annual accounts shall be allocated as follows: 1) at least one-twentieth of profits to the legal reserve, until this reaches an amount equal to one-fifth of the	**ARTICLE ~~42~~ 35** *I* *Unchanged*

share capital; 2) the remaining amount shall be distributed to shareholders, unless the shareholders' meeting approves special withdrawals to extraordinary reserves or for other purposes, or approves to carry them forward, in whole or in part, to the subsequent financial year. 2. The Company may resolve to distribute interim dividends, according to the procedures and conditions laid down by law.	
TITLE VIII **DISSOLUTION OF THE COMPANY**	**Title VIII** **DISSOLUTION OF THE COMPANY**
ARTICLE 43 1. In the event of winding-up and dissolution of the Company, reference shall be made to the provisions of law.	**ARTICLE ~~43~~ 36** *Unchanged*
Title IX **FINAL PROVISIONS**	**Title IX** **FINAL PROVISIONS**
ARTICLE 44 1. For matters not expressly provided for and governed by these Articles of Association, the current provisions of law on joint-stock companies shall be referred to and applied. 2. Any dispute arising out of the relations between the Company, the shareholders and the members of the corporate bodies, shall be submitted to the jurisdiction of the Court of Brescia.	**ARTICLE ~~44~~ 37** *Unchanged*

ANNEX 2a)

REPORT ON MATTERS ON THE AGENDA PURSUANT TO ARTICLE 125-ter, paragraph 3 of LEGISLATIVE DECREE NO. 58/1998

REQUEST TO CALL AN EXTRAORDINARY SHAREHOLDERS' MEETING:

1. Adoption of new Articles of Association in compliance with Municipal Resolutions no. 42 of December 23, 2013 of the Municipality of Milan and no. 198 of December 20, 2013 of the Municipality of Brescia completed by Communication no. 8 of February 13, 2014 to the Municipal Council

On December 30, 2013 the Municipalities of Milan and Brescia signed new shareholders' agreements having the aim of making changes to the Articles of Association of A2A S.p.A. which will lead to the Company to make the passage from the "dual" system of management and control to the "traditional" system.

The Municipalities objective is to establish slim and simplified organizational structures in A2A which will ensure that decisions are taken on a timely basis, that the chain of command is shortened, thereby bringing shareholders closer to business decisions, that the highest level of efficiency and moderation is pursued by raising the quality of the services provided locally and that efficiency and sensitivity towards local communities are integrated.

The following amendments have been made to the Company's Articles of Association attached to this report in a version enabling a comparison to be made between the current text and the proposed new text:

1) SHAREHOLDERS' MEETINGS

- the competence of shareholders' meetings to adopt resolutions; the means by which meetings are called; chairing meetings (articles 11, 12 and 13);

2) MANAGEMENT OF THE COMPANY

- the introduction of a Board of Directors having 12 members holding the requirements of integrity and professionalism prescribed by current legislation and a voting system based on lists, respecting gender balance legislation, with 9 members being taken from the list obtaining the highest number of votes and the remaining 3 members being taken from the other lists, placed in a single classification in descending order based on the quotient assigned to each candidate; the requirement, if the second list obtains a number of votes equal to or greater than 20% of the Company's share capital, for the Board to be made up of 9 members taken from the list obtaining the highest number of votes with the remaining 3 members being taken from the list obtaining the second highest number of votes; the appointment of the first and second candidate taken from the list obtaining the highest number of votes as Chairman and Deputy Chairman of the Board of Directors with the requirement that the name of the Deputy Chairman be taken from the second list in the event that that list obtains at least 20% of the votes; specification of the way in which the lists are to be submitted (articles 16 and 17);

- the means by which a director is to be replaced if one or more directors leave office during the year, considering also the case of the replacement of the Managing Director, as always respecting gender balance, under the various previously indicated possible ways of appointment (article 18);
- the functioning of the Board of Directors and directors' remuneration (articles 19, 20 and 21);
- the approval of board resolutions through a vote in favor by the majority of the directors in office, but the need for a vote in favor by a qualified majority, being at least 9 members, in the case of business and financial plans, annual budgets, the appointment of the Executive Committee, the appointment of any General Managers, the merger or demerger of subsidiaries whose annual revenues exceed 200,000,000.00 euros, the sale of equity interests in companies whose annual revenues exceed 200,000,000.00 euros, the acquisition of controlling investments whose annual revenues exceed 200,000,000.00 euros and recommendations for the names of the respective managing directors for subsidiaries whose annual revenues exceed 200,000,000.00 euros (article 22); the means by which the minutes of meetings shall be signed (article 23);
- the assignment to the Board of Directors of the broadest possible powers for conducting the ordinary and extraordinary management of the Company, the possibility for a part of the board's duties to be delegated and the appointment of an Executive Committee, the communication of information to the Board of Statutory Auditors (articles 24 and 27);
- the Chairman's role and duties (articles 25 and 26);

3) EXECUTIVE COMMITTEE

- the possibility for the Board of Directors to appoint an Executive Committee with details concerning the number of members, the members themselves and the committee's term in office, together with its powers; the appointment of up to 5 members with meetings of the committee being held at the request of the Chairman, who shall chair the meetings, or at the request of at least one third of its members; the quorum for proper constitution and for adopting resolutions; the working procedures of the committee; duties (articles 28 and 29);

4) STATUTORY AUDITORS

- the requirement for the shareholders' meeting to appoint a Board of Statutory Auditors consisting of three standing auditors and two substitute auditors holding the requirements of integrity and professionalism established by current legislation; the impossibility for a statutory auditor, under penalty of loss of office, to concurrently hold a position as member of the Board of Statutory Auditors of any of the Company's subsidiaries; the means by which statutory auditors are appointed on the basis of lists submitted by shareholders to ensure the minority the appointment of one standing auditor and one substitute auditor; compliance with legislation on gender balance; the appointment as chairman of the first candidate on the list obtaining the second highest number of votes; the means of replacing a statutory auditor, compensation (articles 30 and 31);

- details regarding the legal audit of the accounts (article 32);

5) REVISION OF ARTICLES CONSIDERING MERELY THE CHANGE IN THE CORPORATE BOARDS

- entitlement to attend shareholders' meetings and representation (article 14);
- financial year and draft financial statements (article 33);

6) REVISION OF ARTICLES FOR CHANGES IN LEGISLATION AND CONVENIENCE

- elimination of the possibility of having bearer shares without voting rights (article 8);
- reduction from 3 to 1 of the number of daily papers in which news of any covenant or agreement shall be published within 5 days of execution (article 9);
- adjustment to gender parity legislation as per Law no. 120 of July 12, 2011 (articles 17,18 and 31).

The two Municipalities have additionally agreed to send a common communication to the Management Board of A2A S.p.A. in which they ask, pursuant to article 2367 of the Italian Civil Code, for an extraordinary and ordinary shareholders' meeting to be called and held by June 30, 2014, with the former having as its object to make the necessary amendments to the Articles of Association for the change in the system of corporate governance from the "dual" system to the "traditional" system and the latter to appoint the Board of Directors and the Board of Statutory Auditors.

This report has been drawn up with respect to the request for the calling of an ordinary shareholders' meeting in compliance with article 1125-ter of Legislative Decree no. 58/1999 and article 2367 of the Italian Civil Code.

ANNEX 2b)

REQUEST FOR THE CALLING OF AN ORDINARY SHAREHOLDERS' MEETING:

1. Board of Directors – Appointment of Directors – Resolutions pertaining thereto and resulting therefrom;
2. Board of Statutory Auditors – Appointment of the Board – Resolutions pertaining thereto and resulting therefrom.

The new Articles of Association proposed by the majority shareholders, the Municipality of Milan and the Municipality of Brescia, which are submitted for approval to the meeting of the shareholders of A2A, will lead the Company to pass from the "dual" management and control system to the "traditional" system.
This passage will give rise to the following:
- as regards the management of the Company, the establishment of a Board of Directors to replace the present Management Board; the Board of Directors consists of 12 members holding the requirements of integrity and professionalism prescribed by current legislation and a voting system based on lists, respecting gender balance legislation, with 9 members of the Board being taken from the list obtaining the highest number of votes and 3 members taken from other lists, placed in a single classification in decreasing order, based on the quotients assigned to each candidate; the requirement, if the second list obtains a number of votes equal to or greater than 20% of the Company's share capital, for the formation of a Board made up of 9 members taken from the list obtaining the highest number of votes and 3 members taken from the list obtaining the second highest number of votes; the appointment of the first and second candidate taken from the list obtaining the highest number of votes as Chairman and Deputy Chairman of the Board of Directors with the requirement that the name of the Deputy Chairman be taken from the second list in the event that that list obtains at least 20% of the votes; specification of the way in which the lists are to be submitted, with the requirement for each list to contain a number of candidates belonging to the lesser represented gender which shall ensure a balance between the genders at least to the minimum extent required by current laws and regulations. If on completion of the above-mentioned voting procedure and operations it should turn out that current legislation on gender balance has not been adhered to, the candidates elected from the various lists are placed in a single classification in decreasing order, formed in accordance with

the quotient system describe in article 17(ii). The candidate of the more represented gender with the lowest quotient in that classification is then replaced by the first unelected candidate of the lesser represented gender belonging to the same list.
If after replacing the candidate of the more represented gender having the lowest quotient in the classification the minimum threshold established by current law for a gender balance is still not reached, then replacement as described above is repeated with reference to the candidate of the more represented gender having the second lowest quotient, and so on, working upwards in the classification. In the case of equal quotients, replacement is carried out with respect to the candidate taken from the list which obtained the highest number of votes.
If there are no other candidates of the lesser represented gender on such list, the above replacement is carried out by the shareholders' meeting using the majorities established by law and respecting the principle of a proportional representation of minorities on the Board of Directors.
The submission of lists for the appointment of the Board of Directors is governed by the laws and regulations in force at the time and by the following provisions.
(a) Only shareholders who, either alone or with others, hold at the time of the submission of the list (i) a total number of shares representing at least 1% (one per cent) of the share capital with the right to vote at ordinary shareholders' meetings or (ii) an equity interest equal to at least to that required pursuant to article 147-*ter* of Legislative Decree no. 58 of February 24, 1998 and the related regulations for the presentation of candidates as directors of companies with a corresponding capitalization, where this interest is less than 1% (one per cent) of the share capital with the right to vote at the ordinary shareholders' meeting, are entitled to submit lists.
(b) Lists shall bear the names of the candidates standing for appointment to the Board of Directors, to each of which a sequential number is allocated.
(c) Individual shareholders, shareholders who are party to a material shareholders' agreement falling within the scope of article 122 of Legislative Decree no. 58 of February 24, 1998, the parent company, subsidiaries and companies under common control pursuant to article 93 of Legislative Decree no. 58 of February 24, 1998 and other parties between whom there is a connection relationship pursuant to laws and regulations in force at the time, may not submit more than one list or take part in the submission of that list, nor may they vote for different lists; no candidate may stand in more than one list under penalty of ineligibility. Consents given and votes cast in breach of the prohibitions under this paragraph will not be attributed to any list.
(d) The submitted lists must be filed with the Company's registered office within the twenty-fifth day prior to the date of the shareholders' meeting called to resolve on the appointment of the members of the Board of Directors and made available to the public at the Company's registered office, on the Company's website and according to any other procedures required by Consob within the twenty-first day prior to the date of the shareholders' meeting. In the event that, on the expiry date of the time limit set for filing the lists, only one list has been filed, or lists have been filed which are submitted by shareholders who are connected each other, the provisions under the laws and regulations in force at the time shall apply.

(e) The lists must be accompanied by:

(i) information regarding the shareholders who have submitted them, specifying the total interest they hold, without prejudice to the fact that the certificate showing title to this interest may be produced also subsequent to the filing of the lists, provided that it occurs within the time limit set for the publication of the lists by the Company;

(ii) a declaration by shareholders, other than the Municipality of Brescia, the Municipality of Milan and those who hold, also jointly, a controlling interest or a relative majority interest to the effect that there are no relations with such persons as prescribed by laws and regulations in force at the time;

(iii) full information regarding the personal and professional characteristics of the candidates, as well as a declaration issued by the said candidates to the effect that they meet statutory requirements and that they accept the candidature;

(f) Lists that do not comply with the above provisions will be considered as not having been submitted.

(g) If lists receive the same number of votes, the list submitted by the shareholders who hold the largest interest or, subordinately, by the highest number of shareholders, will prevail.

(h) If only one list or no list is submitted, all the candidates included on the list will be elected, or, respectively, the candidates voted by the shareholders' meeting, provided that they receive the relative majority of the votes cast at the shareholders' meeting. If no list is presented the shareholders' meeting appoints the Chairman and the Deputy Chairman of the Board of Directors by the same majority (articles 16 and 17);

- as regards the Board of Statutory Auditors, the requirement for the shareholders' meeting to appoint a Board consisting of three standing auditors and two substitute auditors holding the requirements of integrity and professionalism prescribed by current legislation. In particular, statutory auditors are appointed by means of lists which contain at least two candidates for election, each allocated a sequential number. Candidates may only be included in one list, under penalty of ineligibility.

Each list must contain a number of candidates belonging to the lesser represented gender which shall ensure a balance between the genders at least to the minimum extent required by current laws and regulations. Only shareholders who on their own or together with other shareholders hold the minimum interest in share capital established by Consob by way of a regulation for the presentation of lists for appointing the Board of Directors are entitled to submit lists. Shareholders may submit, or take part in submitting, one single list. If this rule is breached the relative shareholder's vote will not be taken into account for any of the submitted lists. The lists signed by the shareholders submitting them, under penalty of ineligibility, must be lodged at the Company's registered office together with a declaration that there are no agreements or relations of any kind with other shareholders, within the twenty-fifth day prior to that of the shareholders' meeting; the lists must be made available to the public by the means and timing set out in article 17.5. Within the deadline set for the filing of the lists, declarations must be filed in which the individual candidates accept their candidature and state, under their own responsibility, that there are no reasons under the law why they may be considered ineligible or incompatible

and that they meet the requirements of integrity and professionalism prescribed by the law for members of a Board of Statutory Auditors, providing a list of any management and control positions they hold in other companies. Any list which fails to meet the above requirements or which does not include candidates of a different gender in compliance with regulations on gender proportions shall be considered as not having been filed. Each person entitled to vote may only vote for one list. Two standing auditors and one substitute auditor, of whom at least one standing auditor is of the lesser represented gender, shall be drawn from the list obtaining the highest number of votes cast by the shareholders, in the order in which they are listed. The third standing auditor and the other substitute auditor shall be drawn from the other lists, with the first and second candidate of the list obtaining the second highest quotient being respectively elected, of whom at least one substitute auditor must be of the lesser represented gender. If two or more lists obtain the same number of votes, the older or oldest candidate shall be elected as statutory auditor, respecting the gender balance prescribed by current laws and regulations. If the minimum number of standing and substitute statutory auditors belonging to the lesser represented gender are not elected, the candidate of the more represented gender who is last in the classification of the candidates elected from the most voted list shall be replaced by the candidate of the lesser represented gender who is first among the non-elected persons of the same list and so on until the minimum number of statutory auditors belonging to the lesser represented gender is reached. If the minimum number of statutory auditors belonging to the lesser represented gender is still not reached by applying this criterion, the above replacement criterion shall be applied to the minority lists, starting from the one which has received the highest number of votes.
The chairman of the Board of Statutory Auditors shall be the first candidate of the list obtaining the second highest quotient. If two or more lists receive the same number of votes, the chairman shall be the older or oldest candidate, respecting the gender balance prescribed by current laws and regulations. The shareholders' meeting shall adopt resolutions by the majorities prescribed by law in the case of the appointment of statutory auditors who for any reason are not appointed by the list vote procedure, respecting the gender balance prescribed by current laws and regulations.
If a standing auditor is replaced, the substitute auditor belonging to the list of the auditor being replaced shall take his/her place, respecting the principle of the necessary representation of the minorities and the gender balance. The shareholders' meeting shall appoint statutory auditors for supplementing the Board of Statutory Auditors within the meaning of article 2401 of the Italian Civil Code by the majorities prescribed by law, selecting from the names indicated by the shareholders submitting the list to which the statutory auditor leaving office belonged, respecting the principle of the necessary representation of the minorities and the gender balance; if this is not possible, the shareholders' meeting shall replace the auditor by the majorities prescribed by law, respecting the gender balance prescribed by current laws and regulations.

This report has been drawn up with respect to the request for the calling of an ordinary shareholders’ meeting in compliance with article 1125-ter of Legislative Decree no. 58/1999 and article 2367 of the Italian Civil Code in order that the meeting may appoint a Board of Directors and a Board of Statutory Auditors in accordance with the wishes expressed by the Municipal Councils of Milan and Brescia.