



FIERA MILANO

REPORT
FOR THE EXTRAORDINARY SHAREHOLDERS'
MEETING OF 21 APRIL 2017

This document contains a true translation in English of the document in Italian "Relazione per l'assemblea straordinaria degli Aizonisti del 21 aprile 2017".
However, for information about Fiera Milano reference should be made exclusively to the original document in Italian.
The Italian version of the "Relazione per l'assemblea straordinaria degli Aizonisti del 21 aprile 2017" shall prevail upon the English version.

Fiera Milano SpA

Registered office: Piazzale Carlo Magno, 1 - 20149 Milan

Operational and administrative office: SS del Sempione, 28 - 20017 Rho (Milan)

Share capital: Euro 42,445,141.00 fully paid up.

Companies Register, Tax Reference and VAT no. 13194800150

Approved by the Board of Directors of Fiera Milano S.p.A. on 3 March 2017

REPORT OF THE BOARD OF DIRECTORS OF FIERA MILANO S.P.A. – PREPARED IN ACCORDANCE WITH ARTICLE 125-TER, PARAGRAPH 3 OF THE LEGISLATIVE DECREE OF 24 FEBRUARY 1998, NO. 58 AND OF ARTICLE 72 AND IN ACCORDANCE WITH ATTACHMENT 3A OF THE RULE APPROVED BY CONSOB RESOLUTION NO. 11971 OF 14 MAY 1999 – ON THE PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION PUT TO THE EXTRAORDINARY SHAREHOLDERS’ MEETING OF FIERA MILANO S.P.A. CONVENED JUST ONCE ON 21 APRIL 2017.

Dear shareholders,

The Board of Directors has convened an Extraordinary Shareholders’ Meeting to put to you the amendments to the Articles of Association of Fiera Milano S.p.A. (hereinafter “**Fiera Milano**” or the “**Company**”) received on 25 February 2017 from the shareholder Fondazione E.A. Fiera Milano (“**Fondazione Fiera**”), together with the attached report prepared in accordance with Article 125-ter, paragraph 3, of the Legislative Decree of 24 February 1998, no. 58 (“**The Consolidated Finance Act**”), which provides relevant details.

The appropriateness of making amendments to the Articles of Association in order to strengthen further the governance of the Company and, in particular, the legal requirements of independence, autonomy and professionalism of the future Directors, to ensure the highest qualitative standards, had already been acknowledged by the Board of Directors of Fiera Milano, in particular, at its meeting on 20 January 2017. For this reason the Company, through its Chairperson had already given notice to the Milan Court – Prevention Court Independent Section on the 25 January 2017 of its intention to propose to the Shareholders, at the Shareholders’ Meeting scheduled for 21 April 2017, amendments to the Articles of Association to strengthen the governance system through improvements to the corporate and company organisation undertaken as part of the preventive measures under Article 34 of Legislative Decree no. 159/2011 imposed on the Company.

On 30 January 2017, Fondazione Fiera requested that, at the Shareholders’ Meeting convened on 21 April 2017, the Agenda should include proposed amendments to Articles 14 to 18 inclusive and 20 of the Articles of Association and stated that it would prepare a specific proposal regarding such amendments.

Its notifications of 25 February 2017 and 2 March 2017 included details of the proposed amendments put forward by Fondazione Fiera together with the aforementioned Report that we recommend you read.

In order to build a constructive dialogue between the shareholders and the corporate bodies and also to adhere to the requirements of Article 125-ter, paragraph 3 of the Consolidated Finance Act that requires the Board of Directors to express its opinion regarding the matters on the agenda of Shareholders’ Meetings at the request of shareholders, we have provided the present

Report that has been prepared in accordance with Article 72 of the Rule approved by Consob Resolution no. 11971 of 14 May 1999 (the “**Listing Rules**”) and of Attachment 3A, diagram 3, of the same Listing Rules.

AGENDA

Proposals to amend Articles 13, 14, 15, 16, 17, 18 and 20 of the Articles of Association concerning the composition and operations of the Board of Directors and of the Board of Statutory Auditors. Resolutions pertaining thereto and resulting therefrom.

Proposed amendment to Article 13 (“Chairpersonship of Shareholders’ Meetings”).

The proposed amendment from Fondazione Fiera would do away with the positions of 1 Vice Chairpersons of the Board of Directors (see the relevant proposed amendments to Article 18 of the Company Articles of Association).

As a result, the proposal also requires amendments to Article 13 concerning the Chairpersonship of Shareholders’ Meetings so that, should the Chairperson of the Board of Directors be absent or unable to attend, this role is carried out by another person appointed by the Shareholders’ Meeting and not by a Vice Chairperson.

Following approval of the proposal of Fondazione Fiera Milano, the text of Article 13 would be amended as follows:

<p align="center">Article 13 (Chairpersonship of the Shareholders’ Meeting) <i>EXISTING VERSION</i></p>	<p align="center">Article 13 (Chairpersonship of the Shareholders’ Meeting) <i>AMENDED VERSION</i></p>
<p>13.1 The shareholders’ meeting is chaired by the Chairperson of the Board of Directors. In his/her absence, the shareholders’ meeting will be chaired by the Vice Chairperson, if appointed, or, in the case of his/her absence or inability to attend, by the other Deputy Vice Chairperson, if appointed, or in the case of the absence or inability to attend also of the latter, by another person appointed by the shareholders’ meeting. The shareholders’ meeting appoints the secretary, who is not required to be a shareholder. The deliberations of the ordinary shareholders’ meeting are documented in specific minutes signed by the meeting Chairperson and the secretary. When required by law, and whenever he/she deems it to be appropriate, the Chairperson of the meeting will</p>	<p>13.1 The shareholders’ meeting is chaired by the Chairperson of the Board of Directors. In his absence, the shareholders’ meeting will be chaired by the Vice Chairperson, if appointed, or, in the case of his absence or inability to attend, by the other Deputy Vice Chairperson, if appointed, or in the case of the absence or inability to attend also of the latter, by another person appointed by the shareholders’ meeting. The shareholders’ meeting appoints the secretary, who is not required to be a shareholder. The deliberations of the ordinary shareholders’ meeting are documented in specific minutes signed by the Chairperson of the meeting and the secretary. When required by law, and whenever he/she deems it to be appropriate, the Chairperson of the meeting will instruct that the</p>

<p>instruct that the minutes of the meeting be prepared by a notary.</p> <p>13.2 The Chairperson of the meeting manages shareholder meeting proceedings, verifies the proper constitution of the meeting, ascertains the identity and eligibility of those present, regulates meeting proceedings - including the order and duration of spoken contributions, stipulates the voting system, and the counting of votes – and scrutinises the results of any voting.</p> <p>13.3 Copies of minutes certified as being true copies by the Chairperson and by the person taking the minutes constitute proof for all legal intents and purposes.</p>	<p>minutes of the meeting be prepared by a notary.</p> <p>13.2 [UNCHANGED]</p> <p>13.3 [UNCHANGED]</p>
--	--

Proposed amendment to Article 14 (“Board of Directors”).

The proposed amendment put forward by the shareholder Fondazione Fiera amends Article 14 of the Articles of Association primarily to introduce more stringent legal requirements of independence, autonomy and professionalism for the members of the Board of Directors that are in line with best international practice.

In particular:

- a requirement that the majority of the Directors be independent as required for Statutory Auditors; in the existing text this requirement refers to one of the members of the Board of Directors, or at least two for boards comprised of more than seven members (which meets the requirements of Article 147-ter, paragraph 4 of the Consolidated Finance Act);
- the inclusion in the Articles of Association of the principle 3.P.1 of the Self-regulatory Code for Listed Companies under which “*an appropriate number of non-executive directors are independent*”, stating that this requirement should be met by the majority of the members of the Board of Directors;
- clarification that a Director may no longer be considered independent if he/she has held three consecutive mandates as a Director;
- the requirement that independent Directors must possess an adequate level of professionalism as demonstrated by “*documentation proving their experience*” in order to guarantee effective discussions at board meetings;
- acceptance of the principle whereby the composition of the Board of Directors reflects an adequate level of diversity in terms of competences, experience, age, gender and international profile.

The new text of Article 14 proposed by the shareholder Fondazione Fiera also reflects the need to guarantee the principles of autonomy and independence of the Directors (*i*) at the time they are appointed by the Shareholders' Meeting (based on voting for lists); or (*ii*) if co-opted (also through the institution of a specific internal regulation); or (*iii*) on a continuous basis, through annual verifications, *inter alia*, that the limit to the total number of administrative roles is respected. Therefore, this has significance for the specific provision that, should any of the requirements for independence be lacking, the director would forfeit his/her role unless the requirements for independence are still met by the majority of the members of the Board of Directors.

Following approval of the proposal of Fondazione Fiera Milano, the text of Article 14 would be amended as follows:

Art. 14 (Consiglio di Amministrazione) <i>EXISTING VERSION</i>	Art. 14 (Board of Directors) <i>AMENDED VERSION</i>
<p>14.1 The Company is managed by a Board of Directors consisting of a number of at least three and no more than nine members, including the Chairperson. The shareholders' meeting, in accordance with the requirements regarding gender balance in the present Articles of Association, determines the number of members, at the time of appointment, within the aforementioned limits, as well as the duration of their appointment, which cannot exceed three financial years. Directors may be re-elected. At least one of the members of the Board of Directors, or at least two for boards comprised of more than seven members, must be independent as verified by the statutory auditors in accordance with prevailing legislation.</p>	<p>14.1 The Company is managed by a Board of Directors consisting of a number of at least three and no more than nine members, including the Chairperson. The shareholders' meeting, in accordance with the requirements regarding gender balance in the present Articles of Association, determines the number of members, at the time of appointment, within the aforementioned limits, as well as the duration of their appointment, which cannot exceed three financial years. Directors may be re-elected. At least one of the members of the Board of Directors, or at least two for boards comprised of more than seven members, must be independent as verified by the statutory auditors in accordance with prevailing legislation.</p> <p>The Directors must possess the requisite professionalism and probity under the relevant prevailing laws, under penalty of ineligibility or forfeiture of appointment should these requisites be found to be lacking subsequent to their appointment. The composition of the Board of Directors must reflect an adequate level of diversity amongst other things in terms of competences, experience, age, gender and international profile.</p> <p>To co-opt Directors to the Board, the Board of Directors must ascertain in advance the optimum qualitative and quantitative composition to identify and justify the theoretical profile (including the proven and continuing professionalism and independence) of the candidates.</p> <p>A specific internal regulation governs the criteria for the self-appraisal of the entire Board of Directors, for co-option and for</p>

verifying the limit to the total number of administrative positions is respected by all members of the Board. If, however, the limit for the total number of administrative positions held is stricter under enacted law and regulations, this must be respected. Adherence to the limit to the total number of administrative positions must be verified annually by the Board of Directors. Any Director who becomes aware that he/she has exceeded the limit for the total number of administrative positions held under the present Article must within 10 (ten) days of becoming aware inform the Company of the reason why the total has been exceeded and, within 90 (ninety) days of becoming aware that the limit has been exceeded must resign from one or more of the positions held. Within five days of resigning from one or more positions, the member of the Board of Directors must notify the Company of the position from which he/she has resigned.

14.2 The majority of the members of the Board of Directors must possess the necessary independence required for Statutory Auditors under enacted law and also under the Self-regulatory Code of Listed Companies of Borsa Italiana S.p.A. Independent Directors must possess, according to documentation proving their experience, the professionalism to ensure a high level of internal discussion in the Board of Directors and to make an effective contribution to the decision-making process of the Board. The Board of Directors will ascertain that the requirements for independence have been met: (i) when a new Director who qualifies as independent is first appointed; (ii) when any Director who qualifies as independent has his/her position renewed. The Board of Directors will ascertain annually that the requirements for independence of Directors that have already been appointed are still being met. In all cases, evaluation that the requirements of independence are met by each Director that is certified as independent must be carried out by the Board of Directors under the principle of substance over form. Should the requirements for independence, as defined above, be found to be lacking in one of the independent Directors he/she will forfeit his/her position except when the majority of the Board of Directors still meets the requirements for independence. The independent Director that

<p>14.2 If, due to resignations or other causes, the majority of Directors become unavailable, the other Directors' appointments will lapse and the shareholders' meeting must be convened without delay to appoint the Board of Directors.</p> <p>14.3 The shareholders' meeting can also vary the number of directors during the mandate, always within the limits indicated in the present article. If the shareholders' meeting increases the number of directors, it appoints them in the same way as indicated in the present article. The mandate of directors appointed in this way ceases with that of directors originally appointed.</p> <p>14.4 Appointment of members of the Board of Directors takes place based on lists presented by shareholders who, alone or with other shareholders, represent at least 2.5% (two point five percent) of the Company share capital or any other percentage specified by Consob in implementation of prevailing legislation. Each shareholder or shareholders belonging to a shareholder agreement under Article 122 of Italian Legislative Decree no.58/1998 and subsequent amendments and additions may present, or participate in presenting, and vote for just one list. Support and votes cast in breach of this constraint will not be attributable to any list.</p> <p>Each candidate may appear on just one list or else be considered ineligible. Each list contains a maximum of nine candidates listed with sequential numbers. Lists with three or more candidates must include candidates of both genders in order to ensure that the least represented gender is a minimum of one-third of the total elected (if this number includes a fraction, it should be rounded up to the next whole number). Each list must expressly indicate the candidature of at least one person, or two persons in the case of a Board of Directors consisting of more than seven members, possessing the requisites of independence demanded of the statutory auditors under prevailing law.</p>	<p>fails to meet the requirements of independence during his/her mandate must immediately inform the Board of Directors. Furthermore, the requirement of independence will be considered not to have been met if a Director has held three consecutive mandates as a Director of the Company.</p> <p>14.23 If, due to resignations or other causes, the majority of Directors become unavailable, the other Directors' appointments will lapse and the shareholders' meeting must be convened without delay to appoint the Board of Directors.</p> <p>14.3 The shareholders' meeting can also vary the number of directors during the mandate, always within the limits indicated in the present article. If the shareholders' meeting increases the number of directors, it appoints them in the same way as indicated in the present article. The mandate of directors appointed in this way ceases with that of directors originally appointed.</p> <p>14.4 Appointment of members of the Board of Directors takes place based on lists presented by shareholders who, alone or with other shareholders, represent at least 2.5% (two point five percent) of the Company share capital or any other percentage specified by Consob in implementation of prevailing legislation. Each shareholder or shareholders belonging to a shareholder agreement under Article 122 of Italian Legislative Decree no.58/1998 and subsequent amendments and additions may present, or participate in presenting, and vote for just one list. Support and votes cast in breach of this constraint will not be attributable to any list.</p> <p>Each candidate may appear on just one list or else be considered ineligible. Each list contains a maximum of nine candidates listed with sequential numbers. Lists with three or more candidates must include candidates of both genders in order to ensure that the least represented gender is a minimum of one-third of the total elected (if this number includes a fraction, it should be rounded up to the next whole number). Each list must expressly indicate the candidature of at least one person, or two persons in the case of a Board of Directors consisting of more than seven members, possessing the requisites of independence demanded of the statutory auditors under prevailing law. The majority of candidates in each list must possess the requirements of</p>
--	--

<p>The lists must be lodged at the Company's registered office by the twenty-fifth day prior to the date fixed for the first convocation of the shareholders' meeting. The lists must also be made available to the public in accordance with the provisions of law and with Consob rules at least twenty-one days prior to the date fixed for the shareholders' meeting. Ownership of the minimum number of shares required to present a list is determined by the number of shares registered in the name of the shareholder on the day on which the lists are presented to the Company. As proof of ownership of the necessary number of shares to present lists, shareholders must present within the time period required for the publication of the lists by the Company the necessary certification given in accordance with law by authorised intermediaries. Together with each list, within the deadlines indicated above, must be deposited</p> <p>(i) information related to the identities of the shareholders presenting the list and the shares held by such shareholders;</p> <p>(ii) statements in which individual candidates, of their own responsibility, accept their candidacy and testify to the absence of causes of ineligibility and incompatibility, and to the existence of the requisites for taking office laid down by current regulations, including an indication by said candidates of the prerequisites of independence as required by the statutory auditors under prevailing law and the Company code of corporate governance;</p> <p>(iii) the personal and professional curriculum vitae</p>	<p>independence described in the preceding paragraph 14.2.</p> <p>The lists must be lodged at the Company's registered office by the twenty-fifth day prior to the date fixed for the first convocation of the shareholders' meeting. The lists must also be made available to the public in accordance with the provisions of law and with Consob rules at least twenty-one days prior to the date fixed for the shareholders' meeting. Ownership of the minimum number of shares required to present a list is determined by the number of shares registered in the name of the shareholder on the day on which the lists are presented to the Company. As proof of ownership of the necessary number of shares to present lists, shareholders must present within the time period required for the publication of the lists by the Company the necessary certification given in accordance with law by authorised intermediaries. Together with each list, within the deadlines indicated above, must be deposited</p> <p>(i) information related to the identities of the shareholders presenting the list and the shares held by such shareholders;</p> <p>(ii) statements in which individual candidates, of their own responsibility, accept their candidacy and testify to the absence of causes of ineligibility and incompatibility, and to the existence of the requisites for taking office laid down by current regulations, including an indication by said candidates of the prerequisites of independence as required by the statutory auditors under prevailing law and the Company code of corporate governance as described above and a list of administrative and control positions held in other companies, including those that are not listed. The statements must indicate that each candidate possesses the capacity for free expression and must also include a specific undertaking from each candidate that he/she will maintain his/her ability for independent judgement free of any external influence for the duration of the mandate, as well as a specific undertaking to dedicate an amount of time to the position consistent with a correct and diligent fulfilment of the role and not to assume other administration and control positions that violate the internal regulation of the Company regarding the limit to the total number of positions held under the present Article;</p> <p>(iii) the personal and professional curriculum vitae</p>
---	---

of each candidate, with an indication of the directorships and positions as statutory auditor held, in other companies. Notices of shareholders' meetings may also specify the need to present additional documentation and must indicate the level of shareholder investment required for the presentation of such lists. Lists that fail to comply with the above shall not be recognised as having been presented.

Each entity with voting rights may vote for just one list. The votes obtained by each list will subsequently be divided by one, two, three, etc., according to the number of Directors to be elected. The numbers thus obtained will be sequentially assigned to the candidates on each list in the order in that list and will then be arranged in just one ranking in descending order. The candidates obtaining the highest numbers will be considered to be elected.

In the case of a tie in numbers for the last Director to be elected, preference will go to the list receiving the highest number of votes and, in the case of a tie in votes, to the Director most senior in terms of age.

In any event, at least one Director must be taken from the minority list that obtains the greatest number of votes and that is no way connected, directly or indirectly, with the shareholders that presented, took part in presenting, or voted for the list receiving the highest number of votes.

If the composition of the Board of Directors does not meet the regulatory requirements on gender balance in the present Articles of Association, the last candidate of the gender with most appointees to be elected from the list that obtained the highest number of votes will be replaced by the first candidate of the least represented gender that failed to be elected. The replacements will be made progressively until the composition of the Board of Directors meets the gender balance requirements contained in the present Articles of Association. If this procedure fails to give the required result, following the presentation of candidates from the least represented gender, replacements will be made with the majority approval of the Shareholders' Meeting.

14.5 In the event of failure to appoint at least one of the members of the Board of Directors (or two if

of each candidate, with an indication of the directorships and positions as statutory auditor held, **currently and in the past**, in other companies. Notices of shareholders' meetings may also specify the need to present additional documentation and must indicate the level of shareholder investment required for the presentation of such lists. Lists that fail to comply with the above shall not be recognised as having been presented.

Each entity with voting rights may vote for just one list. The votes obtained by each list will subsequently be divided by one, two, three, etc., according to the number of Directors to be elected. The numbers thus obtained will be sequentially assigned to the candidates on each list in the order in that list and will then be arranged in just one ranking in descending order. The candidates obtaining the highest numbers will be considered to be elected.

In the case of a tie in numbers for the last Director to be elected, preference will go to the list receiving the highest number of votes and, in the case of a tie in votes, to the Director most senior in terms of age.

In any event, at least one Director must be taken from the minority list that obtains the greatest number of votes and that is no way connected, directly or indirectly, with the shareholders that presented, took part in presenting, or voted for the list receiving the highest number of votes.

If the composition of the Board of Directors does not meet the regulatory requirements on gender balance in the present Articles of Association, the last candidate of the gender with most appointees to be elected from the list that obtained the highest number of votes will be replaced by the first candidate of the least represented gender that failed to be elected. The replacements will be made progressively until the composition of the Board of Directors meets the gender balance requirements contained in the present Articles of Association **and under prevailing law**. If this procedure fails to give the required result, following the presentation of candidates from the least represented gender, replacements will be made with the majority approval of the Shareholders' Meeting.

14.5 In the event of ~~failure to appoint at least one of the members of the Board of Directors (or two if~~

the Board is composed of more than seven members) the requisites of independence, the non-independent candidate(s) elected last in the list presented by the majority shareholder shall be replaced, in order, by the first (and, if necessary, second) independent candidate(s) not elected from that same list, while always respecting the requirements of gender balance contained in the present Articles of Association.

Any Director having the necessary requisites of independence required by the statutory auditors under prevailing law who, subsequent to appointment, no longer has these requisites must immediately report this to the Board of Directors. This Director must also resign from the Board in the event that the Board of Directors no longer includes the minimum number of independent directors required by prevailing legislation.

14.6 If just one list is presented or if no list is presented or if it is not an election of the entire Board of Directors, the Shareholders' Meeting approves resolutions pursuant to, and with the majorities envisaged by law and meeting the requirements on gender balance contained in the present Articles of Association.

If during the course of the financial year one or more Directors become unavailable for any reason, the Board of Directors will take action under Article 2386 of the Italian Civil Code. If one or more of the directors ceasing to hold office came from a list that also includes candidates that were not elected, the Board of Directors will replace the unavailable director appointing, in sequential order, those from the list of the director ceasing to hold office who are still eligible and willing to accept office. The provisions made in point 14.5 above remain and are designed to ensure the presence on the Board of Directors of the number of directors possessing the requisites of independence required by the statutory auditors under prevailing law and under the requirements for gender balance contained in the present Articles of Association.

14.7 Directors are subject to the restriction

~~the Board is composed of more than seven members)~~ **that the majority of the members of the Board of Directors appointed does not have the requisites of independence as described above,** the non-independent candidate(s) elected last in the list presented by the majority shareholder shall be replaced, in order, by the first (and, if necessary, second) independent candidate(s) not elected from that same list, while always respecting the requirements of gender balance contained in the present Articles of Association **and under prevailing law.**

~~Any Director having the necessary requisites of independence required by the statutory auditors under prevailing law who, subsequent to appointment, no longer has these requisites must immediately report this to the Board of Directors. This Director must also resign from the Board in the event that the Board of Directors no longer includes the minimum number of independent directors required by prevailing legislation.~~

14.6 If just one list is presented or if no list is presented or if it is not an election of the entire Board of Directors, the Shareholders' Meeting approves resolutions pursuant to, and with the majorities envisaged by law and meeting the requirements on gender balance ~~contained in the present Articles of Association~~ **and independence under the present Articles of Association and any further requirements under prevailing law.**

If during the course of the financial year one or more Directors become unavailable for any reason, the Board of Directors will take action under Article 2386 of the Italian Civil Code **to adhere to the rules governing the composition of the Board of Directors under prevailing law and the present Articles of Association.** ~~If one or more of the directors ceasing to hold office came from a list that also includes candidates that were not elected, the Board of Directors will replace the unavailable director appointing, in sequential order, those from the list of the director ceasing to hold office who are still eligible and willing to accept office. The provisions made in point 14.5 above remain and are designed to ensure the presence on the Board of Directors of the number of directors possessing the requisites of independence required by the statutory auditors under prevailing law and under the requirements for gender balance contained in the present Articles of Association.~~

14.7 Directors are subject to the restriction

indicated in Article 2390 of the Italian Civil Code unless they have been exempted from this by the shareholders' meeting.	indicated in Article 2390 of the Italian Civil Code unless they have been exempted from this by the shareholders' meeting.
--	--

Compared to the text proposed by the shareholder Fondazione Fiera, it should be noted that in paragraph 14.5 the words “*the majority of the members of the Board of Directors appointed do not*” should read “*the majority of the members of the Board of Directors appointed **does not***”.

Proposed amendment to Article 15 (“Convening Meetings of the Board of Directors and Board Resolutions”).

The amendment to Article 15 of the Articles of Association proposed by the shareholder Fondazione Fiera is intended to clarify that the Board of Directors may be convened by (i) its Chairperson, (ii) by one-third of the members of the Board of Directors, (iii) by the Board of Statutory Auditors or (iv) by a single Statutory Auditor.

Following approval of the proposal of Fondazione Fiera Milano, the text of Article 15 would be amended as follows:

Article 15 (Convening Meetings of the Board of Directors and Board Resolutions) <i>EXISTING VERSION</i>	Article 15 (Convening Meetings of the Board of Directors and Board Resolutions) <i>AMENDED VERSION</i>
<p>15.1 The Board of Directors meets in the place indicated in the meeting notice, which may also be a venue other than the registered office, as long as it is in Italy or in a European Union member country, whenever deemed by the Chairperson, or when a meeting is requested by at least one third of the directors, or by the Board of Statutory Auditors or individually by a member of this Board in accordance with applicable law.</p> <p>The meeting must be convened at least 5 (five) days before the date of the meeting and, in urgent cases, at least 24 hours before such meetings, through the dispatch to each director and standing statutory auditor of a recorded delivery letter, telegram, fax or electronic mail with confirmation of receipt.</p> <p>Should the convocation of the meeting not adhere to all the formalities, the Board is in any case validly constituted if all directors and all standing statutory auditors are present.</p> <p>15.2 Board meetings may be held by teleconference or videoconference, on condition</p>	<p>15.1 The Board of Directors meets in the place indicated in the meeting notice, which may also be a venue other than the registered office, as long as it is in Italy or in a European Union member country, whenever deemed by the Chairperson, or when a meeting is requested by at least one third of the Directors, or by the Board of Statutory Auditors or individually by a member of this Board the Board of Statutory Auditors in accordance with applicable law.</p> <p>The meeting must be convened at least 5 (five) days before the date of the meeting and, in urgent cases, at least 24 (twenty-four) hours before such meetings, through the dispatch to each aDirector and sStanding sStatutory aAuditor of a recorded delivery letter, telegram, fax or electronic mail with confirmation of receipt</p> <p>Should the convocation of the meeting not adhere to all the formalities, the Board is in any case validly constituted if all Directors and all sStanding sStatutory aAuditors are present.</p> <p>15.2 [<i>UNCHANGED</i>]</p>

<p>that all participants can be identified and are able to follow proceedings and intervene in real time in discussion of the matters addressed. If these requisites are met, the Board meeting is considered to be held in the place where the Chairperson and secretary are located.</p> <p>15.3 In order for Board resolutions to be valid, the presence of the majority of the appointed members is required. Resolutions are passed by an absolute majority of the directors present. In the case of a tied vote, the person chairing the meeting has the casting vote.</p> <p>15.4 The minutes of board meetings are prepared by the secretary to the Board of Directors and are signed by the Chairperson of the meeting and by the secretary. Copies of minutes certified as being true copies by the Chairperson of the meeting and by the secretary to the Board of Directors constitute proof for all legal intents and purposes.</p>	<p>15.3 [UNCHANGED]</p> <p>15.4 [UNCHANGED]</p>
--	---

Proposed amendments to Article 16 (“Chairpersonship of the Board of Directors”).

The shareholder Fondazione Fiera has proposed a simplification to the internal organisation of the Board of Directors with the elimination of the positions of “Vice Chairperson”. The role of substitute of the Chairperson that in the existing Articles of Association belongs to the Vice Chairpersons in the amended version is given to the independent Director who is the most senior in terms of age.

Following approval of the proposal of Fondazione Fiera Milano, the text of Article 16 would be amended as follows:

<p>Article 16 (Chairpersonship of meetings of the Board of Directors) <i>EXISTING VERSION</i></p>	<p>Article 16 (Chairpersonship of meetings of the Board of Directors) <i>AMENDED VERSION</i></p>
<p>16.1 Board meetings are chaired by the Chairperson of the Board or, in his/her absence or impediment, by the Vice Chairperson, if appointed. In the absence of the Vice Chairperson, meetings will be chaired by the Deputy Vice Chairperson, if appointed, or, in the case of his/her absence or impediment, by the director most senior in terms of tenure of office or, secondarily, age.</p>	<p>16.1 Board meetings are chaired by the Chairperson of the Board or, in his/her absence or impediment, by the Vice Chairperson, if appointed. In the absence of the Vice Chairperson, meetings will be chaired by the Deputy Vice Chairperson, if appointed, or, in the case of his/her absence or impediment, by the Director most senior in terms of tenure of office or, secondarily, age by the independent Director who is the most senior in terms of age.</p>

Proposed amendments to Article 17 (“Powers, functions and compensation of the Board of Directors”).

The proposal by the shareholder Fondazione Fiera is to change – by amending Article 17 of the Articles of Association – certain aspects of the internal organisation of the Board of Directors.

In particular, these amendments:

- increase the list of responsibilities that are the exclusive domain of the Board of Directors collectively (and, therefore, may not be delegated); the responsibilities that are proposed should be the exclusive domain of the Board of Directors include, in particular: approval of risk assumption and risk management; evaluation of the functionality, efficiency and efficacy of the internal control system; the appointment of the General Manager, of the Manager responsible for preparing the Company accounts, of the Supervisory Board and of the Head of Internal Audit;
- include in the Articles of Association the decision to adhere to the Self-regulatory Code of Listed Companies by providing for the constitution within the Board of Directors of an “appointments and remuneration committee” and a “control and risk committee”;
- remove from the Board of Directors the responsibility of appointing the Executive Committee;
- provide that the remuneration of the Directors is always a fixed remuneration and that only those Directors with specific responsibilities may receive a variable remuneration.

Following approval of the proposal of Fondazione Fiera Milano, the text of Article 17 would be amended as follows:

Article 17 (Powers, functions and compensation of the Board of Directors) <i>EXISTING VERSION</i>	Article 17 (Powers, functions and compensation of the Board of Directors) <i>AMENDED VERSION</i>
<p>17.1 The Board of Directors is vested with the widest possible powers for ordinary and extraordinary management of the Company. In particular, it has the power to take any action it deems appropriate or useful for the achievement of corporate purposes, with the exception of those actions that, by law, are the prerogative of the shareholders’ meeting.</p> <p>In addition, competence for the following items is also attributed to the Board of Directors:</p> <p>(i) Merger decisions in cases indicated in</p>	<p>17. 1 The Board of Directors is vested with the widest possible powers for ordinary and extraordinary management of the Company. In particular, it has the power to take any action it deems appropriate or useful for the achievement of corporate purposes, with the exception of those actions that, by law, are the prerogative of the shareholders’ meeting.</p> <p>In addition, competence for the following items is also attributed to the Board of Directors:</p> <p>(i) merger decisions in cases indicated in Articles</p>

<p>Articles 2505 and 2505-bis;</p> <p>(ii) Creation and closure of secondary branches;</p> <p>(iii) Reduction of share capital in the case of withdrawal by shareholders;</p> <p>(iv) Amendment of Company Articles of Association to meet regulatory requirements;</p> <p>(v) Transfer of the Company's registered office within the Province.</p> <p>17.2 Besides attributions that, by law, cannot be delegated, and those under the previous point 17.1, the Board of Directors also has exclusive competence for:</p> <p>(a) The purchase, subscription, and transfer, taking direct responsibility for the same, of shares, quotas or interests in other companies, including newly constituted companies, and transfer of option rights, with the exception of transactions concerning mere investment of liquidity;</p> <p>(b) The spin-off of property and movable assets to other companies, both those in the process of being constituted and those already constituted;</p> <p>(c) Any form of loan taken out by the Company exceeding the limit of 30% of net equity;</p> <p>(d) The constitution of mortgages, encumbrances or other guarantee rights of any type whatsoever on all or relevant parts of the Company's bonds, property or assets;</p> <p>(e) Budget approval;</p> <p>(f) The granting by the Company of bank guarantees to third parties;</p> <p>(g) The stipulation of contracts concerning property assets, with the sole exception of building lease contracts stipulated for the performance of corporate business for periods not exceeding six years;</p> <p>(h) The purchase, sale, creation, rental and stipulation of licenses for patents, trademarks, models, internet domains and/or sites, satellite or cable TV channels, publications, copyrights and similar items, and all intellectual property rights in general, relating to the corporate purpose;</p>	<p>2505 and 2505-bis;</p> <p>(ii) creation and closure of secondary branches;</p> <p>(iii) reduction of share capital in the case of withdrawal by shareholders;</p> <p>(iv) amendment of Company Articles of Association to meet regulatory requirements;</p> <p>(v) transfer of the Company's registered office within the Province.</p> <p>17.2 Besides attributions that, by law, cannot be delegated, and those under the previous point paragraph 17.1, the Board of Directors also has exclusive competence for:</p> <p>(a) the purchase, subscription, and transfer, taking direct responsibility for the same, of shares, quotas or interests in other companies, including newly constituted companies, and transfer of option rights, with the exception of transactions concerning mere investment of liquidity;</p> <p>(b) approval of all risk assumption and risk management policies, with no exceptions, as well as evaluation of the functionality, efficiency and efficacy of the internal control system of the Company;</p> <p>(b)(c) the spin-off of property and movable assets to other companies, both those in the process of being constituted and those already constituted;</p> <p>(c)(d) any form of loan taken out by the Company exceeding the limit of 30% of net equity;</p> <p>(d)(e) the constitution of mortgages, encumbrances or other guarantee rights of any type whatsoever on all or relevant parts of the Company's bonds, property or assets;</p> <p>(e)(f) budget approval;</p> <p>(f)(g) the granting by the Company of bank guarantees to third parties;</p> <p>(g)(h) the stipulation of contracts concerning property assets, with the sole exception of building lease contracts stipulated for the performance of corporate business for periods not exceeding six years;</p>
--	---

<p>(i) The award of appointments, consulting assignments and other service assignments exceeding EUR 100,000 (one hundred thousand) not envisaged in the budget to parties in any case extraneous to the Board.</p> <p>(j) The appointment or termination of the appointment of the Manager responsible for preparing the Company's financial statements as per Article 22 below.</p>	<p>(i)(i) the purchase, sale, creation, rental and stipulation of licenses for patents, trademarks, models, internet domains and/or sites, satellite or cable TV channels, publications, copyrights and similar items, and all intellectual property rights in general, relating to the corporate purpose;</p> <p>(j)(j) the award of appointments, consulting assignments and other service assignments exceeding EUR 100,000 (one hundred thousand) not envisaged in the budget to parties in any case extraneous to the Board;</p>
	<p>(k) the appointment of the General Manager and eventually a Deputy General Manager on the proposal of the Chief Executive Officer, if appointed, and decisions regarding his/her responsibilities; the other senior managers, including in the internal control department, may be appointed by the Chief Executive Officer as long as the Board of Directors is informed promptly of any such appointments;</p> <p>(l)(l) the appointment or termination of the appointment of the Manager responsible for preparing the Company's financial statements as under Article 22 below.</p> <p>(m) the appointment of the Supervisory Board;</p> <p>(n) the constitution and disbanding of internal Committees of the Board of Directors, the appointment and removal of their members and approval of their operating procedures;</p> <p>(o) appointment and removal of the person responsible for the internal audit as appointed by the Chief Executive Officer, after having obtained the opinion of the Board of Statutory Auditors and of the independent Directors.</p>
<p>The Board of Directors must ensure that the Manager responsible for preparing the Company's financial statements is provided with the appropriate powers and means to perform his or her duties as required by applicable law, as well as ensure the observance of administrative and accounting procedures.</p>	<p>The Board of Directors must ensure that the Manager responsible for preparing the Company's financial statements is provided with the appropriate powers and means to perform his/her duties as required by applicable law, as well as ensure the observance of administrative and accounting procedures.</p>
<p>17.3 Directors report to the Board of Statutory Auditors in a timely manner and in any case at least on a quarterly basis – at meetings of the Board of Directors or Executive Committee, if appointed, or directly by a written note sent to the President of the Board of Statutory Auditors – on</p>	<p>17.3 Directors report to the Board of Statutory Auditors in a timely manner and in any case at least on a quarterly basis – at meetings of the Board of Directors or Executive Committee, if appointed, or directly by a written note sent to the</p>

the activities and on the major business, financial and capital transactions undertaken by the Company and by its subsidiaries. The Directors report, in particular, on transactions in which they have an interest, themselves or on behalf of third parties, or on which they have an influence through their direction and co-ordination activities.

17.4 While respecting the restrictions indicated in point 17.2 above, the Board may delegate part of its assignments and powers, including the faculty of sub-delegation and corporate signing authority to one of its members, with the position of Chief Executive Officer, indicating both the relative powers and remuneration.

17.5 The Board of Directors may also set up an Executive Committee, consisting of some of its members and including the Chairperson of the Board. While respecting the restrictions indicated in point 17.2 above, the Executive Committee will have the powers conferred upon it by the Board at its inception. To the extent that they are compatible, the rules for the Board of Directors are also applicable to the Executive Committee. The Board of Directors can appoint general managers, as well as top managers, special attorneys and agents in general for given purposes or categories of purposes, choosing them from among company employees or third parties. The Board of Directors can set up committees, consisting of Board members, for consultation and/or proposals, determining the number of members of such committees and the duties assigned them, in accordance with the enacted regulations governing companies with shares listed in regulated markets. Delegated bodies, if appointed, must provide the Board of Directors, on at least a quarterly basis, with adequate information on the general operating performance and its likely evolution, as well as, in the exercise of the respective powers given them, on the most important transactions, in terms of magnitude or characteristics, undertaken by the Company and by its subsidiaries.

17.6 The General Manager of Fiera Milano SpA, if appointed, can be hired by a staff service contract or by an employment contract. He is appointed following a proposal made by the Chairperson of the Board. The duration of his/her appointment is fixed at three financial years and in any case, may not exceed the term of office of the Board that makes the relative appointment.

Chairperson of the Board of Statutory Auditors – on the activities and on the major business, financial and capital transactions undertaken by the Company and by its subsidiaries. The Directors report, in particular, on transactions in which they have an interest, themselves or on behalf of third parties, or ~~on which they have an influence through their~~ **are influenced by a person through** direction and co-ordination activities.

17.4 While respecting the restrictions indicated in ~~point~~ **paragraph** 17.2 above, the Board may delegate part of its assignments and powers, including the faculty of sub-delegation and corporate signing authority to one of its members, with the position of Chief Executive Officer, indicating both the relative powers and remuneration.

17.5 ~~The Board of Directors may also set up an Executive Committee, consisting of some of its members and including the Chairperson of the Board. While respecting the restrictions indicated in point 17.2 above, the Executive Committee will have the powers conferred upon it by the Board at its inception. To the extent that they are compatible, the rules for the Board of Directors are also applicable to the Executive Committee.~~ The Board of Directors can **also** appoint ~~general managers, as well as~~ top managers, special attorneys and agents in general for given purposes or categories of purposes, choosing them from among company employees or third parties. The Board of Directors can set up committees, consisting of Board members, for consultation and/or proposals, determining the number of members of such committees and the duties assigned them, in accordance with the enacted regulations governing companies with shares listed in regulated markets.

~~Delegated bodies, if appointed, must provide the Board of Directors, at least on a quarterly basis, with adequate information on the general operating performance and its likely evolution, as well as, in the exercise of the respective powers given them, on the most important transactions, in terms of magnitude or characteristics, undertaken by the Company and by its subsidiaries.~~

17.6 ~~The General Manager of Fiera Milano SpA, if appointed, can be hired by a staff service contract or by an employment contract. He/ is appointed following a proposal made by the~~

The General Manager will assist the Chief Executive Officer, if appointed, and the Chairperson in the performance of their duties, performing the management tasks assigned to him by the Chief Executive Officer or Chairperson.

17.7 The Board of Directors will be awarded by the shareholders' meeting, for the duration of its term of office, a remuneration that may consist of a fixed part and a variable part, with the latter linked to the achievement of given targets.

Directors holding particular positions have the right to a remuneration determined by the Board of Directors, after having received the opinion of the Board of Statutory Auditors.

~~Chairperson of the Board. The duration of his appointment is fixed at three financial years and in any case, may not exceed the term of office of the Board that makes the relative appointment.~~

~~The General Manager will assist the Chief Executive Officer, if appointed, and the Chairperson in the performance of their duties, performing the management tasks assigned to him by the Chief Executive Officer or Chairperson.~~

The Board of Directors will set up an internal Appointments and Remuneration Committee with the majority of its members being independent Directors and a Control and Risk Committee made up entirely of independent Directors and chaired by one of these. These Committees will act in an advisory capacity and/or make proposals in accordance with prevailing law and the Self-regulatory Code of Listed Companies issued by Borsa Italiana S.p.A.

The Board of Directors and, on its behalf, the Chairperson is the direct point of contact of the internal audit department and the latter reports directly to the Board of Directors regarding its roles and responsibilities under applicable law.

If appointed, the Chief Executive Officer, will provide the Board of Directors, at least quarterly, with adequate information on the general trends of the business and its likely outlook, as well as on his/her responsibilities, and the most significant transactions in terms of size and nature made by the Company and its subsidiaries.

17.7 The Board of Directors will be awarded by the shareholders' meeting, for the duration of its term of office, a **fixed** remuneration ~~that may consist of a fixed~~. **The Board of Directors will decide, having received the opinions of the Appointments and Remuneration Committee and the Board of Statutory Auditors, the remuneration of Directors with specific responsibilities which may consist of a fixed part and a variable part, with the latter linked to the achievement of given targets. However, the Directors that are part of the committees under paragraph 17.6 may only receive fixed remuneration.**

~~Directors holding particular positions have the right to a remuneration determined by the Board of~~

	Directors, after having received the opinion of the Board of Statutory Auditors.
--	--

Proposed amendments to Article 18 (“Chairperson and Vice Chairpersons”).

The proposal by Fondazione Fiera to amend Article 18 of the Articles of Association revises the responsibilities, duties and powers of the Chairperson of the Board of Directors in order to ensure that the latter promotes the effective functioning of the corporate governance system of the Company guaranteeing, *inter alia*, a balance of power with respect to the Chief Executive Officer.

Moreover, under the amended text the Chairperson must be appointed from among the independent Directors of the Board and may not take on executive responsibilities; therefore, as opposed to the current situation, the positions of Chairperson and Chief Executive Officer may not be held by the same person.

Under the proposed amendments to the Articles of Association the Chairperson would be the point of contact for the internal control body and of the committees within the Board of Directors and would be responsible for overseeing external institutional relations (together with the Chief Executive Officer).

As already stated in the comment to the amended text of Article 16, it is proposed that any reference to “Vice Chairpersons” be cancelled as these positions will no longer exist.

Following approval of the proposal of Fondazione Fiera Milano, the text of Article 18 would be amended as follows:

Article 18 (Chairperson and Vice Chairpersons) <i>EXISTING VERSION</i>	Article 18 (Chairperson and Vice Chairpersons) <i>AMENDED VERSION</i>
18.1 The Board of Directors – when the shareholders’ meeting has not already done so – elects from among its members the Company Chairperson and may appoint up to two Vice Chairmen of which one Vice Chairperson and one Deputy Vice Chairperson, from among the Board members elected pursuant to paragraph 14.4..	18.1 The Board of Directors – when the shareholders’ meeting has not already done so – elects from among its members the Company Chairperson and may appoint up to two Vice Chairpersons of which one Vice Chairperson and one Deputy Vice Chairperson, from among the Board members elected pursuant to paragraph 14.4 from among its members who meet the requirements for independence under the present Article. In addition to the responsibilities he/she has under the law, the Chairperson of the Board of Directors convenes and sets the agenda for Board meetings as under Article 16.1 above, promotes internal discussion, ensures the effective functioning of the corporate governance system and guarantees the balance of power with the Chief Executive Officer if the latter is appointed. The

<p>18.2 The offices of Chairperson and Chief Executive Officer may be combined.</p> <p>18.3 In the absence or impediment of the Chairperson, his/her functions are carried out by the Senior Vice President, if appointed, or in the case of the latter's absence or impediment by the other</p>	<p>Chairperson must convene the Board of Directors when a request has been made by at least one-third of the members of the Board of Directors, or by the Board of Statutory Auditors or by one of the Standing Statutory Auditors. In preparing the agenda, the Chairperson must include any additional matters to be discussed put forward by persons other than the Chairperson who have the right to convene the Board of Directors under the present Articles of Association. The Chairperson of the Board of Directors coordinates the work of the Board and ensures that adequate information regarding the items on the agenda are provided to all members. To this end, the Chairperson ensures that:</p> <p>(a) the Directors receive suitably in advance any documentation regarding matters to be discussed at the meeting or, at least, basic information on these matters;</p> <p>(b) the documentation on matters to be discussed and, in particular, that provided to the non-executive Directors is both qualitatively and quantitatively sufficient as regards the items on the agenda.</p> <p>The Chairperson is the direct point of contact between the Board of Directors and the internal control bodies and the committees within the Board of Directors. Therefore, he/she must possess, in addition to the requirements for independent Directors, the specific competences necessary to fulfil his/her duties.</p> <p>Should for whatever reason the Chairperson be unable to continue in his/her role during his/her mandate, the Board of Directors will without delay replace him/her as required under the present Articles of Association.</p> <p>18.2 The offices of Chairperson and Chief Executive Officer may not be combined. The Chairperson of the Board of Directors has the responsibility of coordinating with the Chief Executive Office, if the latter is appointed, external institutional relations but may not have any executive role.</p> <p>18.3 In the absence or impediment of the Chairperson, his/her functions are carried out by the Senior Vice President, if appointed, or in the case of the latter's absence or impediment by the other Vice President, if appointed the most senior</p>
--	--

<p>Vice President, if appointed. The simple exercise of functions by the Vice President is valid as regards third parties, in the case of the Chairperson’s absence and/or impediment.</p>	<p>independent Director by age. The simple exercise of responsibilities by the Vice President a replacement is valid as regards third parties only in the case of the Chairperson’s absence and/or impediment.</p>
--	--

Given the elimination of the positions of Vice Chairpersons of the Board of Directors, compared to the proposed amended text, the title of Article 18 should be changed from “*Chairperson and Vice Chairpersons*” to “*Chairperson*”.

Proposed amendment to Article 20 (“Board of Statutory Auditors”).

The proposal by Fondazione Fiera to amend Article 20 of the Articles of Association gives further details of the limit to the total number of positions that may be held and the requirements for independence of the Statutory Auditors.

Specifically Statutory Auditors *(i)* may not hold a similar position in more than four listed companies or in issuers that have financial instruments widely held by the public (the existing text stipulates a limit of five similar positions simultaneously held) and *(ii)* must have the necessary independence required of directors under the Self-regulatory Code of Listed Companies.

The amended text also attributes to the Board of Statutory Auditors important control responsibilities by stating the it is in charge, *inter alia*, of the functionality of all the internal control systems and must implement corrective measures should any shortcomings or anomalies be found.

Following approval of the proposal of Fondazione Fiera Milano, the text of Article 20 would be amended as follows:

<p>Article 20 (Board of Statutory Auditors) <i>EXISTING VERSION</i></p>	<p>Article 20 (Board of Statutory Auditors) <i>AMENDED VERSION</i></p>
<p>20.1 The Board of Statutory Auditors consists of three standing statutory auditors with a minimum of one of the least represented gender, and two substitute statutory auditors, one of each gender, who can be re-elected. While respecting situations of incompatibility under the enacted regulations, those already holding the position of standing statutory auditor in five companies issuing securities as specified by prevailing laws and regulations cannot hold the office of statutory auditor and, if already elected, must leave office, unless otherwise allowed by changes in such laws and regulations. The assignments, duties and</p>	<p>20.1 The Board of Statutory Auditors consists of three standing statutory auditors with a minimum of one of the least represented gender, and two substitute statutory auditors, one of each gender, who can be re-elected. While respecting situations of incompatibility under the enacted regulations, those already holding the position of standing statutory auditor in five companies issuing securities as specified by prevailing laws and regulations cannot hold the office of statutory auditor and, if already elected, must leave office, unless otherwise allowed by changes in such laws and regulations. The assignments, duties and</p>

duration are those established by law.

~~duration are those established by law.~~ the Statutory Auditors of companies of the Group to which the Company belongs may only hold positions within the control bodies and, if appointed to other bodies, must forfeit their position as a Statutory Auditor of the Company. They will also forfeit their position if they are appointed as a Standing Statutory Auditor in more than four companies listed on regulated markets in Italy or in other European Union countries or in other issuers of financial instruments that are widely held by the public under prevailing law. The Standing Statutory Auditors of the Board of Statutory Auditors who are aware that the limit under the present Article has been exceeded must resign from one or more of the positions held. The present regulation also applies to any Substitute Statutory Auditors who may be appointed to the Board of Statutory Auditors from the date of the Shareholders' Meeting convened to appoint the Board of Statutory Auditors under Article 2401 of the Italian Civil Code. Within 5 (five) days of his/her resignation, the member of the Board of Statutory Auditors must inform the Company of the position or positions from which he/she has resigned. If, however, the limit for the total number of positions held is stricter under enacted law and regulations, this must be respected. The roles and responsibilities and the length of the mandate given to the Board of Statutory Auditors are established in law. However, in addition to its responsibilities under Article 2403, paragraph 1 of the Italian Civil Code and the authority under Article 2403-bis of the Italian Civil Code it is also responsible for overseeing:

(a) the functionality of the entire internal control system ensuring the efficacy of all the structures and functions of the control system and that they are appropriately organised, implementing any corrective measures should any shortcomings or anomalies be found;

(b) the financial information process;

(c) the legal audit of the annual financial statements;

(d) the independence of the independent auditor or the independent audit firm, in particular, regarding services provided to the Company that are not audit services.

Members of the Board of Statutory Auditors are

chosen from among those possessing the necessary characteristics of reputability, professionalism and independence in accordance with the law and prevailing regulations. Failure to meet such requirements will result in removal from office. At the time of appointment, the shareholders' meeting determines the annual remuneration payable to statutory auditors. Statutory auditors have the right to reimbursement of expenses incurred in the performance of their duties.

20.2 Statutory auditors are appointed on the basis of lists submitted by shareholders adopting the procedures indicated in the following paragraphs, which are in two sections: one for the appointment of standing statutory auditors and the other for the appointment of substitute statutory auditors. The lists contain a number of candidates not exceeding the number or members to be elected, listed in sequential order. The lists must include candidates of both genders. Each candidate may present him/herself in just one list on pain of ineligibility.

Shareholders who alone or together with other shareholders represent at least 2.5% (two point five percent) of the Company share capital, or other percentage specified by Consob in implementation of prevailing legislation, have the right to submit a list. Each shareholder, shareholders that are part of a shareholder agreement under article 122 of Italian Legislative Decree no. 58/1998 and subsequent amendments and additions, subsidiaries and joint ventures in accordance with Article 93 of said decree, including through trust companies or other intermediaries, may present, or take part in presenting, and vote for just one list. Support and votes cast in breach of this restriction will not be attributable to any list.

Unless another deadline is applicable under the law, the lists must be lodged at the Company's registered office by the twenty-fifth day prior to the date fixed for the first convocation of the shareholders' meeting. The lists must also be made available to the public in the ways provided by law and by Consob rules at least twenty-one days prior to the date fixed for the shareholders' meeting.

Members of the Board of Statutory Auditors are chosen from among those possessing the necessary characteristics of reputability, professionalism and independence in accordance with the law and prevailing regulations. **The Statutory Auditors must be chosen from those that can be considered independent under the criteria stipulated for directors in the Self-regulatory Code of Listed Companies of Borsa Italiana S.p.A.** Failure to meet such requirements will result in removal from office. At the time of appointment, the shareholders' meeting determines the annual remuneration payable to Statutory Auditors. Statutory Auditors have the right to reimbursement of expenses incurred in the performance of their duties.

20.2 Statutory Auditors are appointed on the basis of lists submitted by shareholders adopting the procedures indicated in the following paragraphs, which are in two sections: one for the appointment of Standing Statutory Auditors and the other for the appointment of Substitute Statutory Auditors. The lists contain a number of candidates not exceeding the number or members to be elected, listed in sequential order. The lists must include candidates of both genders. Each candidate may present him/herself in just one list on pain of ineligibility.

Shareholders who alone or together with other shareholders represent at least 2.5% (two point five percent) of the Company share capital, or other percentage specified by Consob in implementation of prevailing legislation, have the right to submit a list. Each shareholder, shareholders that are part of a shareholder agreement under article 122 of Italian Legislative Decree no. 58/1998 and subsequent amendments and additions, subsidiaries and joint ventures in accordance with Article 93 of said decree, including through trust companies or other intermediaries, may present, or take part in presenting, and vote for just one list. Support and votes cast in breach of this restriction will not be attributable to any list.

Unless another deadline is applicable under the law, the lists must be lodged at the Company's registered office by the twenty-fifth day prior to the date fixed for the first convocation of the shareholders' meeting. The lists must also be made available to the public in the ways provided by law and by Consob rules at least twenty-one days prior

Ownership of the minimum number of shares required to present a list is determined by the number of shares registered in the name of the shareholder on the day on which the lists are presented to the Company. As proof of ownership of the necessary number of shares to present lists, shareholders must present within the time period required for the publication of the lists by the Company the necessary certification given in accordance with law by authorised intermediaries. When deposited, within the deadlines indicated above, each list must be accompanied by

- (i) information relating to the identities of the shareholders presenting the list and the shares held by such shareholders, as well as the certificate testifying to the ownership of such shares;
- (ii) statements in which individual candidates accept their candidacy and testify, of their own responsibility, to the absence of causes of ineligibility and incompatibility, including the limit to the number of positions held as specified under point 20.1, to the existence of the requisites for taking office laid down by current regulations, plus
- (iii) the personal and professional curriculum vitae of each candidate, with an indication of the directorships and positions as statutory auditor held in other companies. In addition to the above, in the event a list is presented by shareholders that do not, including jointly, hold a controlling or majority interest in the Company, this list must be accompanied by a declaration by the shareholders presenting the list testifying to the absence of relations with one or more reference shareholders as defined by prevailing legislation. Notices of shareholders' meetings may also specify the need to present additional documentation and must indicate the level of shareholder investment required for the presentation of such lists. Lists that fail to comply with the above shall not be recognised as having been presented.

Those elected as standing auditors are the first two candidates on the list obtaining the highest number of votes and the first candidate on the list second in terms of the number of votes and which is not connected, directly or indirectly, as required by enacted laws and regulations, with the shareholders that presented or voted for the list obtaining the greatest number of votes. Those elected as substitute statutory auditors are the first candidate of the list obtaining the highest number of votes and the first candidate of the list second in terms of number of votes and which is not connected, directly or indirectly, as required by enacted laws and regulations, with the shareholders that presented, took part in presenting, or voted for the

to the date fixed for the shareholders' meeting. Ownership of the minimum number of shares required to present a list is determined by the number of shares registered in the name of the shareholder on the day on which the lists are presented to the Company. As proof of ownership of the necessary number of shares to present lists, shareholders must present within the time period required for the publication of the lists by the Company the necessary certification given in accordance with law by authorised intermediaries. When deposited, within the deadlines indicated above, each list must be accompanied by

- (i) information relating to the identities of the shareholders presenting the list and the shares held by such shareholders, as well as the certificate testifying to the ownership of such shares;

- (ii) statements in which individual candidates accept their candidacy and testify, of their own responsibility, to the absence of causes of ineligibility and incompatibility, including the limit to the number of positions held as specified under paragraph 20.1, to the existence of the requisites for taking office laid down by current regulations, plus

- (iii) the personal and professional curriculum vitae of each candidate, with an indication of the directorships and positions as statutory auditor held **currently and in the past** in other companies. In addition to the above, in the event a list is presented by shareholders that do not, including jointly, hold a controlling or majority interest in the Company, this list must be accompanied by a declaration by the shareholders presenting the list testifying to the absence of relations with one or more reference shareholders as defined by prevailing legislation. Notices of shareholders' meetings may also specify the need to present additional documentation and must indicate the level of shareholder investment required for the presentation of such lists. Lists that fail to comply with the above shall not be recognised as having been presented.

Those elected as Standing Statutory Auditors are the first two candidates on the list obtaining the highest number of votes and the first candidate on the list second in terms of the number of votes and which is not connected, directly or indirectly, as required by enacted laws and regulations, with the shareholders that presented or voted for the list obtaining the greatest number of votes. Those

list obtaining the greatest number of votes. In the case of a tie in number of votes between the first two lists, the shareholders will vote again, with voting only eligible for these two lists. The same rule applies in the event of a tie in the number of votes for the lists obtaining the second-highest number of votes and that are not connected, directly or indirectly, as required by enacted laws and regulations, with the shareholders that presented, took part in presenting, or voted for the list obtaining the greatest number of votes. In the event of another tie in number of votes, the list presented by the shareholders representing the greatest equity interest or, failing that, presented by the greatest number of shareholders shall be selected. When the composition of the Board of Statutory Auditors, and its two sections of Standing Statutory Auditors and Substitute Statutory Auditors, does not meet the requirements for gender balance, taking account of the order in which the candidates are listed in each section, the last to be elected from the list that obtained the highest number of votes and who belongs to the gender that is most represented must be replaced by the first candidate on the same list and in the same section that was not elected but that belongs to the least represented gender in order to ensure the requirements are met. The Chairperson of the Board of Statutory Auditors is the first candidate on the list obtaining the second highest number of votes and which is not connected, directly or indirectly, as required by enacted laws and regulations, with the shareholders that presented, took part in presenting, or voted for the list obtaining the greatest number of votes. If a statutory auditor ceases to meet the requisites required by the regulations or by the Company Articles of Association, he/she may no longer hold office. In the case of substitution of a standing statutory auditor elected by the list receiving the greatest number of votes, the first substitute statutory auditor belonging to the same list shall take his/her place. In the case of substitution of a standing statutory auditor elected by the list obtaining the second highest number of votes and which is not connected, directly or indirectly, as required by enacted laws and regulations, with the shareholders that presented, took part in presenting, or voted for the list obtaining the greatest number of votes, the first substitute statutory auditor belonging to the same list shall take his/her place. Failing this, the unelected candidate in second place on the same list or, failing even that, the candidate in order of presentation from the minority list that obtained the

elected as Substitute Statutory Auditors are the first candidate of the list obtaining the highest number of votes and the first candidate of the list second in terms of number of votes and which is not connected, directly or indirectly, as required by enacted laws and regulations, with the shareholders that presented, took part in presenting, or voted for the list obtaining the greatest number of votes.

In the case of a tie in number of votes between the first two lists, the shareholders will vote again, with voting only eligible for these two lists. The same rule applies in the event of a tie in the number of votes for the lists obtaining the second-highest number of votes and that are not connected, directly or indirectly, as required by enacted laws and regulations, with the shareholders that presented, took part in presenting, or voted for the list obtaining the greatest number of votes. In the event of another tie in number of votes, the list presented by the shareholders representing the greatest equity interest or, failing that, presented by the greatest number of shareholders shall be selected. When the composition of the Board of Statutory Auditors, and its two sections of Standing Statutory Auditors and Substitute Statutory Auditors, does not meet the requirements for gender balance, taking account of the order in which the candidates are listed in each section, the last to be elected from the list that obtained the highest number of votes and who belongs to the gender that is most represented must be replaced by the first candidate on the same list and in the same section that was not elected but that belongs to the least represented gender in order to ensure the requirements are met. The Chairperson of the Board of Statutory Auditors is the first candidate on the list obtaining the second highest number of votes and which is not connected, directly or indirectly, as required by enacted laws and regulations, with the shareholders that presented, took part in presenting, or voted for the list obtaining the greatest number of votes. If a Statutory Auditor ceases to meet the requisites required by the regulations or ~~by the Company Articles of Association~~ **under the present Article**, he/she may no longer hold office. In the case of substitution of a Standing Statutory Auditor elected by the list receiving the greatest number of votes, the first Substitute Statutory Auditor belonging to the same list shall take his/her place. In the case of substitution of a Standing Statutory Auditor elected by the list obtaining the second highest number of votes and which is not connected, directly or indirectly, as required by enacted laws and

second highest number of votes shall be selected. In the event it should be necessary to appoint additional standing and/or substitute statutory auditors to the Board of Statutory Auditors following the replacement of a standing and/or substitute statutory auditor taken from the list obtaining the greatest number of votes, the shareholders shall determine by legal majority and without limitations concerning the list whether the application of the criteria described above are not appropriate for selecting such additions to the committee.

Should it be necessary to appoint statutory auditors selected from the list obtaining the second highest number of votes and which is not connected, directly or indirectly, as required by enacted laws and regulations, with the shareholders that presented, took part in presenting, or voted for the list obtaining the greatest number of votes, the shareholders shall do so by a legal majority to be reached without counting the votes of shareholders who, in accordance with communications provided pursuant to applicable law, hold directly, indirectly, or together with other shareholders through a significant shareholder agreement under Article 122 of Italian Legislative Decree 58/98 a majority of the exercisable voting rights, nor the votes of shareholders who control, are controlled by, or are subject to joint control of same.

The replacement procedures under the preceding paragraphs must in all cases meet the requirements regarding gender balance.

If just one list is presented, or no list is presented, the shareholders' meeting decides according to the majorities defined by law ensuring that there is a balance between the genders of the appointees.

Meetings of the Board of Statutory Auditors may be held in teleconference or videoconference, on condition that all participants can be identified with certainty and are able to follow proceedings and intervene in real time in discussion of the matters addressed, and also to peruse and transmit documents. If these requisites are met, the Board

regulations, with the shareholders that presented, took part in presenting, or voted for the list obtaining the greatest number of votes, the first Substitute Statutory Auditor belonging to the same list shall take his/her place. Failing this, the unelected candidate in second place on the same list or, failing even that, the candidate in order of presentation from the minority list that obtained the second highest number of votes shall be selected. In the event it should be necessary to appoint additional Standing and/or Substitute Statutory Auditors to the Board of Statutory Auditors following the replacement of a Standing and/or Substitute Statutory Auditor taken from the list obtaining the greatest number of votes, the shareholders shall determine by legal majority and without limitations concerning the list whether the application of the criteria described above are not appropriate for selecting such additions to the committee.

Should it be necessary to appoint Statutory Auditors selected from the list obtaining the second highest number of votes and which is not connected, directly or indirectly, as required by enacted laws and regulations, with the shareholders that presented, took part in presenting, or voted for the list obtaining the greatest number of votes, the shareholders shall do so by a legal majority to be reached without counting the votes of shareholders who, in accordance with communications provided pursuant to applicable law, hold directly, indirectly, or together with other shareholders through a significant shareholder agreement under Article 122 of Italian Legislative Decree 58/98 a majority of the exercisable voting rights, nor the votes of shareholders who control, are controlled by, or are subject to joint control of same.

The replacement procedures under the preceding paragraphs must in all cases meet the requirements regarding gender balance.

If just one list is presented, or no list is presented, the shareholders' meeting decides according to the majorities defined by law ensuring that there is a balance between the genders of the appointees.

Meetings of the Board of Statutory Auditors may be held in teleconference or videoconference, on condition that all participants can be identified with certainty and are able to follow proceedings and intervene in real time in discussion of the matters addressed, and also to peruse and transmit

meeting of the Statutory Auditors is considered to be held in the place where the person chairing the meeting and the person taking the minutes are located, in order to permit preparation and signature of the minutes in the relevant journal.

documents. If these requisites are met, the board meeting of the Statutory Auditors is considered to be held in the place where the person chairing the meeting and the person taking the minutes are located, in order to permit preparation and signature of the minutes in the relevant journal.

Proposals for deliberation

Dear shareholders,

Given the above, we believe that the amendments to the Articles of Association prepared by the shareholder Fondazione Fiera should be judged favourably and, in particular, that they respond to the need to strengthen further the corporate governance – a need that was also recognised by the Board of Directors of the Company.

In particular, the strengthening of the authority and responsibilities of the Chairperson of the Board of Directors whilst maintaining that he/she should be an independent Director (under the demanding standards of the Articles of Association) with no executive role is viewed favourably.

We also consider positive the elimination of the roles of Vice Chairpersons and the abolition of the faculty of the Board of Directors to appoint the Executive Committee as a means of simplifying the internal organisation of the Board of Directors. These amendments are consistent with the proposal for clearer definition of the responsibilities of the Board that cannot be delegated in order to make the Board acting collectively directly responsible for decisions of strategic importance to the Company.

We also have a positive opinion of the enhanced clarification and more rigorous requirements needed to be appointed a Director or a Statutory Auditor; these are aimed at ensuring maximum professionalism and independence within the corporate administration and control bodies.

We would also point out that approval of the above amendments to the Articles of Association would **not** give shareholders the right of withdrawal.

Therefore, we submit for your approval the following proposed resolution:

«The Extraordinary Shareholders' Meeting of Fiera Milano S.p.A.:

- having considered and discussed the Report under Article 125-ter, paragraph 3 of Legislative Decree no. 58/1998 prepared by the shareholder Fondazione Fiera Milano and by the Board of Directors;
- having agreed the reasons behind the proposed amendments to the Articles;

approves

1. the amendments proposed by Fondazione Fiera Milano having considered the points made in the Report of the Board of Directors;
2. amendments to Articles 13, 14, 15, 16, 17, 18 and 20 of the Articles of Association as follows:

“Article 13 (Chairpersonship of Shareholders’ Meetings)

13.1 The shareholders’ meeting is chaired by the Chairperson of the Board of Directors. In his/her absence, the shareholders’ meeting will be chaired by another person appointed by the shareholders’ meeting. The shareholders’ meeting appoints the secretary, who is not required to be a shareholder. The deliberations of the ordinary shareholders’ meeting are documented in specific minutes signed by the Chairperson of the meeting and the secretary. When required by law, and whenever he/she deems it to be appropriate, the Chairperson of the meeting will instruct that the minutes of the meeting be prepared by a notary.

13.2 The Chairperson of the meeting manages shareholder meeting proceedings, verifies the proper constitution of the meeting, ascertains the identity and eligibility of those present, regulates meeting proceedings - including the order and duration of spoken contributions, stipulates the voting system, and the counting of votes – and scrutinises the results of any voting.

13.3 Copies of minutes certified as being true copies by the Chairperson and by the person taking the minutes constitute proof for all legal intents and purposes.

Article 14 (Board of Directors)

14.1 The Company is managed by a Board of Directors consisting of a number of at least three and no more than nine members, including the Chairperson. The shareholders’ meeting, in accordance with the requirements regarding gender balance, determines the number of members, at the time of appointment, within the aforementioned limits, as well as the duration of their appointment, which cannot exceed three financial years. Directors may be re-elected. The Directors must possess the requisite professionalism and probity under the relevant prevailing laws, under penalty of ineligibility or forfeiture of appointment should these requisites be found to be lacking subsequent to their appointment. The composition of the Board of Directors must reflect an adequate level of diversity amongst other things in terms of competences, experience, age, gender and international profile.

To co-opt Directors to the Board, the Board of Directors must ascertain in advance the optimum qualitative and quantitative composition to identify and justify the theoretical profile (including the proven and continuing professionalism and independence) of the candidates.

A specific internal regulation governs the criteria for the self-appraisal of the entire Board of Directors, for co-option and for verifying the limit to the total number of administrative positions is respected by all members of the Board. If, however, the limit for the total number of administrative positions held is stricter under enacted law and regulations, this must be respected. Adherence to the limit to the total number of administrative positions must be verified annually by the Board of Directors. Any Director who becomes aware that he/she has exceeded the limit for the total number of administrative positions held under the present Article must within 10 (ten) days of becoming aware inform the Company of the reason why the total has been exceeded and, within 90 (ninety) days of becoming aware that the limit has been exceeded must resign from one or more of the positions held. Within five days of resigning from one or more positions, the member of the Board of Directors must notify the Company of the position from which he/she has resigned.

14.2 The majority of the members of the Board of Directors must possess the necessary independence required for Statutory Auditors under enacted law and also under the Self-regulatory Code of Listed Companies of Borsa Italiana S.p.A. Independent Directors must possess, according to documentation proving their experience, the professionalism to ensure a

high level of internal discussion in the Board of Directors and to make an effective contribution to the decision-making process of the Board. The Board of Directors will ascertain that the requirements for independence have been met: (i) when a new Director who qualifies as independent is first appointed; (ii) when any Director who qualifies as independent has his/her position renewed. The Board of Directors will ascertain annually that the requirements for independence of Directors that have already been appointed are still being met. In all cases, evaluation that the requirements of independence are met by each Director that is certified as independent must be carried out by the Board of Directors under the principle of substance over form. Should the requirements for independence, as defined above, be found to be lacking in one of the independent Directors he/she will forfeit his/her position except when the majority of the Board of Directors still meets the requirements for independence. The independent Director that fails to meet the requirements of independence during his/her mandate must immediately inform the Board of Directors. Furthermore, the requirement of independence will be considered not to have been met if a Director has held three consecutive mandates as a Director of the Company.

14.3 If, due to resignations or other causes, the majority of Directors become unavailable, the other Directors' appointments will lapse and the shareholders' meeting must be convened without delay to appoint the Board of Directors.

14.4 Appointment of members of the Board of Directors takes place based on lists presented by shareholders who, alone or with other shareholders, represent at least 2.5% (two point five percent) of the Company share capital or any other percentage specified by Consob in implementation of prevailing legislation. Each shareholder **or** shareholders belonging to a shareholder agreement under Article 122 of Italian Legislative Decree no.58/1998 and subsequent amendments and additions may present, or participate in presenting, and vote for just one list. Support and votes cast in breach of this constraint will not be attributable to any list. Each candidate may appear on just one list or else be considered ineligible. Each list contains a maximum of nine candidates listed with sequential numbers. Lists with three or more candidates must include candidates of both genders in order to ensure that the least represented gender is a minimum of one-third of the total elected (if this number includes a fraction, it should be rounded up to the next whole number). The majority of candidates in each list must possess the requirements of independence described in the preceding paragraph 14.2.

The lists must be lodged at the Company's registered office by the twenty-fifth day prior to the date fixed for the first convocation of the shareholders' meeting. The lists must also be made available to the public in accordance with the provisions of law and with Consob rules at least twenty-one days prior to the date fixed for the shareholders' meeting. Ownership of the minimum number of shares required to present a list is determined by the number of shares registered in the name of the shareholder on the day on which the lists are presented to the Company. As proof of ownership of the necessary number of shares to present lists, shareholders must present within the time period required for the publication of the lists by the Company the necessary certification given in accordance with law by authorised intermediaries. Together with each list, within the deadlines indicated above, must be deposited:

- (i) information related to the identities of the shareholders presenting the list and the shares held by such shareholders;
- (ii) statements in which individual candidates, of their own responsibility, accept their candidacy and testify to the absence of causes of ineligibility and incompatibility, and to the existence of the requisites for taking office laid down by current regulations, including an indication by said candidates of the prerequisites of independence as described above and a list of administrative and control positions held in other companies, including those that are not listed. The statements must indicate that each candidate possesses the capacity for free expression and must also include a specific undertaking from each candidate that he/she will maintain his/her ability for independent

judgement free of any external influence for the duration of the mandate, as well as a specific undertaking to dedicate an amount of time to the position consistent with a correct and diligent fulfilment of the role and not to assume other administration and control positions that violate the internal regulation of the Company regarding the limit to the total number of positions held under the present Article;

- (iii) the personal and professional curriculum vitae of each candidate, with an indication of the directorships and positions as statutory auditor held, currently and in the past, in other companies. Notices of shareholders' meetings may also specify the need to present additional documentation and must indicate the level of shareholder investment required for the presentation of such lists. Lists that fail to comply with the above shall not be recognised as having been presented.

Each entity with voting rights may vote for just one list. The votes obtained by each list will subsequently be divided by one, two, three, etc., according to the number of Directors to be elected. The numbers thus obtained will be sequentially assigned to the candidates on each list in the order in that list and will then be arranged in just one ranking in descending order. The candidates obtaining the highest numbers will be considered to be elected.

In the case of a tie in numbers for the last Director to be elected, preference will go to the list receiving the highest number of votes and, in the case of a tie in votes, to the Director most senior in terms of age.

In any event, at least one Director must be taken from the minority list that obtains the greatest number of votes and that is no way connected, directly or indirectly, with the shareholders that presented, took part in presenting, or voted for the list receiving the highest number of votes.

If the composition of the Board of Directors does not meet the regulatory requirements on gender balance in the present Articles of Association, the last candidate of the gender with most appointees to be elected from the list that obtained the highest number of votes will be replaced by the first candidate of the least represented gender that failed to be elected. The replacements will be made progressively until the composition of the Board of Directors meets the gender balance requirements contained in the present Articles of Association and under prevailing law. If this procedure fails to give the required result, following the presentation of candidates from the least represented gender, replacements will be made with the majority approval of the Shareholders' Meeting.

14.5 In the event that the majority of the members of the Board of Directors appointed does not have the requisites of independence as described above, the non-independent candidate(s) elected last in the list presented by the majority shareholder shall be replaced, in order, by the first (and, if necessary, second) independent candidate(s) not elected from that same list, while always respecting the requirements of gender balance contained in the present Articles of Association and under prevailing law.

14.6 If just one list is presented or if no list is presented or if it is not an election of the entire Board of Directors, the Shareholders' Meeting approves resolutions pursuant to, and with the majorities envisaged by law and meeting the requirements on gender balance and independence under the present Articles of Association and any further requirements under prevailing law.

If during the course of the financial year one or more Directors become unavailable for any reason, the Board of Directors will take action under Article 2386 of the Italian Civil Code to adhere to the rules governing the composition of the Board of Directors under prevailing law and the present Articles of Association.

14.7 Directors are subject to the restriction indicated in Article 2390 of the Italian Civil Code unless they have been exempted from this by the shareholders' meeting.

Article 15 (Convening Meetings of the Board of Directors and Board Resolutions)

15.1 The Board of Directors meets in the place indicated in the meeting notice, which may

also be a venue other than the registered office, as long as it is in Italy or in a European Union member country, whenever deemed by the Chairperson, or when a meeting is requested by at least one third of the Directors, or by the Board of Statutory Auditors or individually by a member of the Board of Statutory Auditors.

The meeting must be convened at least 5 (five) days before the date of the meeting and, in urgent cases, at least 24 (twenty-four) hours before such meetings, through the dispatch to each Director and Standing Statutory Auditor of a recorded delivery letter, telegram, fax or electronic mail with confirmation of receipt.

Should the convocation of the meeting not adhere to all the formalities, the Board is in any case validly constituted if all Directors and all Standing Statutory Auditors are present.

15.2 Board meetings may be held by teleconference or videoconference, on condition that all participants can be identified and are able to follow proceedings and intervene in real time in discussion of the matters addressed. If these requisites are met, the Board meeting is considered to be held in the place where the Chairperson and secretary are located.

15.3 In order for Board resolutions to be valid, the presence of the majority of the appointed members is required. Resolutions are passed by an absolute majority of the Directors present. In the case of a tied vote, the person chairing the meeting has the casting vote.

15.4 The minutes of Board meetings are prepared by the secretary to the Board of Directors and are signed by the Chairperson of the meeting and by the secretary. Copies of minutes certified as being true copies by the Chairperson of the meeting and by the secretary to the Board of Directors constitute proof for all legal intents and purposes.

Article 16 (Chairpersonship of the Board of Directors)

16.1 Board meetings are chaired by the Chairperson of the Board or, in his/her absence or impediment, by the independent Director who is the most senior in terms of age.

Article 17 (Powers, functions and compensation of the Board of Directors)

17.1 The Board of Directors is vested with the widest possible powers for ordinary and extraordinary management of the Company. In particular, it has the power to take any action it deems appropriate or useful for the achievement of corporate purposes, with the exception of those actions that, by law, are the prerogative of the shareholders' meeting.

In addition, competence for the following items is also attributed to the Board of Directors:

- (i) merger decisions in cases indicated in Articles 2505 and 2505-*bis*;
- (ii) creation and closure of secondary branches;
- (iii) reduction of share capital in the case of withdrawal by shareholders;
- (iv) amendment of Company Articles of Association to meet regulatory requirements;
- (v) transfer of the Company's registered office within the Province.

17.2 Besides attributions that, by law, cannot be delegated, and those under the previous paragraph 17.1, the Board of Directors also has exclusive competence for:

- (a) the purchase, subscription, and transfer, taking direct responsibility for the same, of shares, quotas or interests in other companies, including newly constituted companies, and transfer of option rights, with the exception of transactions concerning mere investment of liquidity;
- (b) approval of all risk assumption and risk management policies, with no exceptions, as well as evaluation of the functionality, efficiency and efficacy of the internal control system of the Company;
- (c) the spin-off of property and movable assets to other companies, both those in the process of being constituted and those already constituted;
- (d) any form of loan taken out by the Company exceeding the limit of 30% of net equity;
- (e) the constitution of mortgages, encumbrances or other guarantee rights of any type whatsoever on all or relevant parts of the Company's bonds, property or assets;

- (f) budget approval;
- (g) the granting by the Company of bank guarantees to third parties;
- (h) the stipulation of contracts concerning property assets, with the sole exception of building lease contracts stipulated for the performance of corporate business for periods not exceeding six years;
- (i) the purchase, sale, creation, rental and stipulation of licenses for patents, trademarks, models, internet domains and/or sites, satellite or cable TV channels, publications, copyrights and similar items, and all intellectual property rights in general, relating to the corporate purpose;
- (j) the award of appointments, consulting assignments and other service assignments exceeding EUR 100,000 (one hundred thousand) not envisaged in the budget to parties in any case extraneous to the Board;
- (k) the appointment of the General Manager and eventually a Deputy General Manager on the proposal of the Chief Executive Officer, if appointed, and decisions regarding his/her responsibilities; the other senior managers, including in the internal control department, may be appointed by the Chief Executive Officer as long as the Board of Directors is informed promptly of any such appointments;
- (l) the appointment or termination of the appointment of the Manager responsible for preparing the Company's financial statements as under Article 22 below;
- (m) the appointment of the Supervisory Board;
- (n) the constitution and disbanding of internal Committees of the Board of Directors, the appointment and removal of their members and approval of their operating procedures;
- (o) appointment and removal of the person responsible for the internal audit as appointed by the Chief Executive Officer, after having obtained the opinion of the Board of Statutory Auditors and of the independent Directors.

The Board of Directors must ensure that the Manager responsible for preparing the Company's financial statements is provided with the appropriate powers and means to perform his/her duties as required by applicable law, as well as ensure the observance of administrative and accounting procedures.

17.3 Directors report to the Board of Statutory Auditors in a timely manner and in any case at least on a quarterly basis – at meetings of the Board of Directors or directly by a written note sent to the Chairperson of the Board of Statutory Auditors – on the activities and on the major business, financial and capital transactions undertaken by the Company and by its subsidiaries. The Directors report, in particular, on transactions in which they have an interest, themselves or on behalf of third parties, or which are influenced by a person through direction and co-ordination activities.

17.4 While respecting the restrictions indicated in paragraph 17.2 above, the Board may delegate part of its assignments and powers, including the faculty of sub-delegation and corporate signing authority to one of its members, with the position of Chief Executive Officer, indicating both the relative powers and remuneration.

17.5 The Board of Directors can also appoint top managers, special attorneys and agents in general for given purposes or categories of purposes, choosing them from among company employees or third parties.

17.6 The Board of Directors will set up an internal Appointments and Remuneration Committee with the majority of its members being independent Directors and a Control and Risk Committee made up entirely of independent Directors and chaired by one of these. These Committees will act in an advisory capacity and/or make proposals in accordance with prevailing law and the Self-regulatory Code of Listed Companies issued by Borsa Italiana S.p.A.

The Board of Directors and, on its behalf, the Chairperson is the direct point of contact of the internal audit department and the latter reports directly to the Board of Directors regarding its

roles and responsibilities under applicable law.

If appointed, the Chief Executive Officer, will provide the Board of Directors, at least quarterly, with adequate information on the general trends of the business and its likely outlook, as well as on his/her responsibilities, and the most significant transactions in terms of size and nature made by the Company and its subsidiaries.

17.7 The Board of Directors will be awarded by the shareholders' meeting, for the duration of its term of office, a fixed remuneration. The Board of Directors will decide, having received the opinions of the Appointments and Remuneration Committee and the Board of Statutory Auditors, the remuneration of Directors with specific responsibilities which may consist of a fixed part and a variable part, with the latter linked to the achievement of given targets. However, the Directors that are part of the committees under paragraph 17.6 may only receive fixed remuneration.

Article 18 (Chairperson)

18.1 The Board of Directors – when the shareholders' meeting has not already done so – elects the Company Chairperson from among its members who meet the requirements for independence under the present Article. In addition to the responsibilities he/she has under the law, the Chairperson of the Board of Directors convenes and sets the agenda for Board meetings as under Article 16.1 above, promotes internal discussion, ensures the effective functioning of the corporate governance system and guarantees the balance of power with the Chief Executive Officer if the latter is appointed. The Chairperson must convene the Board of Directors when a request has been made by at least one-third of the members of the Board of Directors, or by the Board of Statutory Auditors or by one of the Standing Statutory Auditors. In preparing the agenda, the Chairperson must include any additional matters to be discussed put forward by persons other than the Chairperson who have the right to convene the Board of Directors under the present Articles of Association. The Chairperson of the Board of Directors coordinates the work of the Board and ensures that adequate information regarding the items on the agenda are provided to all members. To this end, the Chairperson ensures that:

- (a) the Directors receive suitably in advance any documentation regarding matters to be discussed at the meeting or, at least, basic information on these matters;
- (b) the documentation on matters to be discussed and, in particular, that provided to the non-executive Directors is both qualitatively and quantitatively sufficient as regards the items on the agenda.

The Chairperson is the direct point of contact between the Board of Directors and the internal control bodies and the committees within the Board of Directors. Therefore, he/she must possess, in addition to the requirements for independent Directors, the specific competences necessary to fulfil his/her duties.

Should for whatever reason the Chairperson be unable to continue in his/her role during his/her mandate, the Board of Directors will without delay replace him/her as required under the present Articles of Association.

18.2 The offices of Chairperson and Chief Executive Officer may not be combined. The Chairperson of the Board of Directors has the responsibility of coordinating with the Chief Executive Office, if the latter is appointed, external institutional relations but may not have any executive role.

18.3 In the absence or impediment of the Chairperson, his/her functions are carried out by the most senior independent Director by age. The simple exercise of responsibilities by a replacement is valid as regards third parties only in the case of the Chairperson's absence and/or impediment.

Article 20 (Board of Statutory Auditors)

20.1 The Board of Statutory Auditors consists of three standing statutory auditors with a

minimum of one of the least represented gender, and two substitute statutory auditors, one of each gender, who can be re-elected. While respecting situations of incompatibility under the enacted regulations, the Statutory Auditors of companies of the Group to which the Company belongs may only hold positions within the control bodies and, if appointed to other bodies, must forfeit their position as a Statutory Auditor of the Company. They will also forfeit their position if they are appointed as a Standing Statutory Auditor in more than four companies listed on regulated markets in Italy or in other European Union countries or in other issuers of financial instruments that are widely held by the public under prevailing law. The Standing Statutory Auditors of the Board of Statutory Auditors who are aware that the limit under the present Article has been exceeded must resign from one or more of the positions held. The present regulation also applies to any Substitute Statutory Auditors who may be appointed to the Board of Statutory Auditors from the date of the Shareholders' Meeting convened to appoint the Board of Statutory Auditors under Article 2401 of the Italian Civil Code. Within 5 (five) days of his/her resignation, the member of the Board of Statutory Auditors must inform the Company of the position or positions from which he/she has resigned. If, however, the limit for the total number of positions held is stricter under enacted law and regulations, this must be respected. The roles and responsibilities and the length of the mandate given to the Board of Statutory Auditors are established in law. However, in addition to its responsibilities under Article 2403, paragraph 1 of the Italian Civil Code and the authority under Article 2403-*bis* of the Italian Civil Code it is also responsible for overseeing:

- (a) the functionality of the entire internal control system ensuring the efficacy of all the structures and functions of the control system and that they are appropriately organised, implementing any corrective measures should any shortcomings or anomalies be found;
- (b) the financial information process;
- (c) the legal audit of the annual financial statements;
- (d) the independence of the independent auditor or the independent audit firm, in particular, regarding services provided to the Company that are not audit services.

Members of the Board of Statutory Auditors are chosen from among those possessing the necessary characteristics of reputability, professionalism and independence in accordance with the law and prevailing regulations. The Statutory Auditors must be chosen from those that can be considered independent under the criteria stipulated for directors in the Self-regulatory Code of Listed Companies of Borsa Italiana S.p.A. Failure to meet such requirements will result in removal from office. At the time of appointment, the shareholders' meeting determines the annual remuneration payable to Statutory Auditors. Statutory Auditors have the right to reimbursement of expenses incurred in the performance of their duties.

20.2 Statutory Auditors are appointed on the basis of lists submitted by shareholders adopting the procedures indicated in the following paragraphs, which are in two sections: one for the appointment of Standing Statutory Auditors and the other for the appointment of Substitute Statutory Auditors. The lists contain a number of candidates not exceeding the number or members to be elected, listed in sequential order. The lists must include candidates of both genders. Each candidate may present him/herself in just one list on pain of ineligibility.

Shareholders who alone or together with other shareholders represent at least 2.5% (two point five percent) of the Company share capital, or other percentage specified by Consob in implementation of prevailing legislation, have the right to submit a list. Each shareholder, shareholders that are part of a shareholder agreement under article 122 of Italian Legislative Decree no. 58/1998 and subsequent amendments and additions, subsidiaries and joint ventures in accordance with Article 93 of said decree, including through trust companies or other intermediaries, may present, or take part in presenting, and vote for just one list. Support and votes cast in breach of this restriction will not be attributable to any list.

Unless another deadline is applicable under the law, the lists must be lodged at the Company's registered office by the twenty-fifth day prior to the date fixed for the first convocation of the shareholders' meeting. The lists must also be made available to the public

in the ways provided by law and by Consob rules at least twenty-one days prior to the date fixed for the shareholders' meeting. Ownership of the minimum number of shares required to present a list is determined by the number of shares registered in the name of the shareholder on the day on which the lists are presented to the Company. As proof of ownership of the necessary number of shares to present lists, shareholders must present within the time period required for the publication of the lists by the Company the necessary certification given in accordance with law by authorised intermediaries. When deposited, within the deadlines indicated above, each list must be accompanied by:

- (i) information relating to the identities of the shareholders presenting the list and the shares held by such shareholders, as well as the certificate testifying to the ownership of such shares;
- (ii) statements in which individual candidates accept their candidacy and testify, of their own responsibility, to the absence of causes of ineligibility and incompatibility, including the limit to the number of positions held as specified under paragraph 20.1, to the existence of the requisites for taking office laid down by current regulations, plus
- (iii) the personal and professional curriculum vitae of each candidate, with an indication of the directorships and positions as statutory auditor held currently and in the past in other companies. In addition to the above, in the event a list is presented by shareholders that do not, including jointly, hold a controlling or majority interest in the Company, this list must be accompanied by a declaration by the shareholders presenting the list testifying to the absence of relations with one or more reference shareholders as defined by prevailing legislation. Notices of shareholders' meetings may also specify the need to present additional documentation and must indicate the level of shareholder investment required for the presentation of such lists. Lists that fail to comply with the above shall not be recognised as having been presented.

Those elected as Standing Statutory Auditors are the first two candidates on the list obtaining the highest number of votes and the first candidate on the list second in terms of the number of votes and which is not connected, directly or indirectly, as required by enacted laws and regulations, with the shareholders that presented or voted for the list obtaining the greatest number of votes. Those elected as Substitute Statutory Auditors are the first candidate of the list obtaining the highest number of votes and the first candidate of the list second in terms of number of votes and which is not connected, directly or indirectly, as required by enacted laws and regulations, with the shareholders that presented, took part in presenting, or voted for the list obtaining the greatest number of votes.

In the case of a tie in number of votes between the first two lists, the shareholders will vote again, with voting only eligible for these two lists. The same rule applies in the event of a tie in the number of votes for the lists obtaining the second-highest number of votes and that are not connected, directly or indirectly, as required by enacted laws and regulations, with the shareholders that presented, took part in presenting, or voted for the list obtaining the greatest number of votes. In the event of another tie in number of votes, the list presented by the shareholders representing the greatest equity interest or, failing that, presented by the greatest number of shareholders shall be selected. When the composition of the Board of Statutory Auditors, and its two sections of Standing Statutory Auditors and Substitute Statutory Auditors, does not meet the requirements for gender balance, taking account of the order in which the candidates are listed in each section, the last to be elected from the list that obtained the highest number of votes and who belongs to the gender that is most represented must be replaced by the first candidate on the same list and in the same section that was not elected but that belongs to the least represented gender in order to ensure the requirements are met. The Chairperson of the Board of Statutory Auditors is the first candidate on the list obtaining the second highest number of votes and which is not connected, directly or indirectly, as required by enacted laws and regulations, with the shareholders that presented, took part in presenting, or voted for the list obtaining the greatest number of votes. If a Statutory Auditor ceases to meet the requisites required by the regulations or under the present Article, he/she may no longer hold office. In the case of substitution of a Standing Statutory Auditor elected by the list receiving the greatest number of votes, the first Substitute Statutory Auditor

belonging to the same list shall take his/her place. In the case of substitution of a Standing Statutory Auditor elected by the list obtaining the second highest number of votes and which is not connected, directly or indirectly, as required by enacted laws and regulations, with the shareholders that presented, took part in presenting, or voted for the list obtaining the greatest number of votes, the first Substitute Statutory Auditor belonging to the same list shall take his/her place. Failing this, the unelected candidate in second place on the same list or, failing even that, the candidate in order of presentation from the minority list that obtained the second highest number of votes shall be selected. In the event it should be necessary to appoint additional Standing and/or Substitute Statutory Auditors to the Board of Statutory Auditors following the replacement of a Standing and/or Substitute Statutory Auditor taken from the list obtaining the greatest number of votes, the shareholders shall determine by legal majority and without limitations concerning the list whether the application of the criteria described above are not appropriate for selecting such additions to the committee.

Should it be necessary to appoint Statutory Auditors selected from the list obtaining the second highest number of votes and which is not connected, directly or indirectly, as required by enacted laws and regulations, with the shareholders that presented, took part in presenting, or voted for the list obtaining the greatest number of votes, the shareholders shall do so by a legal majority to be reached without counting the votes of shareholders who, in accordance with communications provided pursuant to applicable law, hold directly, indirectly, or together with other shareholders through a significant shareholder agreement under Article 122 of Italian Legislative Decree 58/98 a majority of the exercisable voting rights, nor the votes of shareholders who control, are controlled by, or are subject to joint control of same.

The replacement procedures under the preceding paragraphs must in all cases meet the requirements regarding gender balance.

If just one list is presented, or no list is presented, the shareholders' meeting decides according to the majorities defined by law ensuring that there is a balance between the genders of the appointees.

Meetings of the Board of Statutory Auditors may be held in teleconference or videoconference, on condition that all participants can be identified with certainty and are able to follow proceedings and intervene in real time in discussion of the matters addressed, and also to peruse and transmit documents. If these requisites are met, the board meeting of the Statutory Auditors is considered to be held in the place where the person chairing the meeting and the person taking the minutes are located, in order to permit preparation and signature of the minutes in the relevant journal.”

3. conferring on the Board of Directors and on its behalf the Chairperson and the Chief Executive Officer, each separately and with complete freedom to delegate, any authority necessary to implement the above decisions including, for example, the authority to deposit and publish the text of the updated Articles of Association that include the amendments under section (2) above, and carry out any necessary or appropriate actions required to receive legal approval of the aforementioned decisions, and the authority to accept and insert any changes and/or additions, of a formal and not substantial nature, that prove necessary when they are registered or any required by the relevant Authorities, with specific advance statement of approval and ratification.»

Rho (Milan), 3 March 2017

On behalf of the Board of Directors
The Chairperson

Roberto Rettani