



DANIELI & C. OFFICINE MECCANICHE S.p.A.

Headquarters: Buttrio (UD), via Nazionale 41

Fully-Paid Share Capital of Euro 81,304,566

Tax and Registration Number with the Register of Companies of Udine and Pordenone: 00167460302

REPORT ON CORPORATE GOVERNANCE AND OWNERSHIP STRUCTURE

Year 2019/2020

in accordance with article 123-bis of Legislative Decree n.58 dated February 24, 1998

approved by the Board of Directors on September 24, 2020

(traditional model of administration and control)

This document is available on the Company's website www.danieli.com, "Investors" section.

TABLE OF CONTENTS

Foreword	5
1. Issuer's Profile	6
2. Information on Ownership Structure up to June 30, 2020	6
a) <i>Share Capital Structure</i>	6
b) <i>Restrictions on the Transfer of Securities</i>	6
c) <i>Major Shareholdings in Share Capital</i>	6
d) <i>Securities that Confer Special Rights</i>	7
e) <i>Employee Shareholding: Mechanism for the Exercise of Voting Rights</i>	7
f) <i>Restrictions on Voting Rights</i>	7
g) <i>Agreements between Shareholders</i>	7
h) <i>Change-of-control clauses and by-law provisions regulating takeover bids</i>	7
i) <i>Powers to Increase Share Capital and Authorizations to Purchase Own</i>	7
<i>Shares up to June 30, 2020</i>	
j) <i>Management and Coordination</i>	8
3. Compliance	8
4. Board of Directors	9
4.1 <i>Appointment and Replacement</i>	9
4.2 <i>Composition</i>	10
4.3 <i>Function of the Board of Directors</i>	16
4.4 <i>Delegated Bodies</i>	18
4.5 <i>Independent Directors</i>	19
5. Handling of Corporate Information	19
6. Board Committees	20
7. Diversity policies applied according to the composition of administrative, management and supervisory boards	20
8. Directors' Remuneration	22
9. Control and Risk	22
10. Internal Control and Risk Management System	22
10.1 <i>Internal Audit Functions and Internal Audit</i>	23
10.2 <i>Monitoring Body as per L. 262/2005</i>	24
10.3 <i>Supervisory Committee</i>	24
10.4 <i>External Auditing Company</i>	25
10.5 <i>Officer in charge of preparing the company's accounting documents</i>	25
10.6 <i>Coordination among officers of the Internal Control and Risk Management System</i>	25
11. Directors' interests and Transactions with Related Parties	26
12. Appointment of Statutory Auditors	26
13. Composition and Operation of the Board of Statutory Auditors	28
14. Relations with Shareholders	30
15. Shareholders' Meetings (as per. Art. 123-bis, paragraph 2, letter c) of the Consolidated Law on Finance)	30
16. Other Corporate Governance Practices	31
17. Changes since the end of the reference year	31
<u>TABLE 1: INFORMATION ON OWNERSHIP STRUCTURE</u>	33
<u>TABLE 2: STRUCTURE OF THE BOARD OF DIRECTORS AND THE COMMITTEES</u>	34
<u>TABLE 3: STRUCTURE OF THE BOARD OF LEGAL AUDITORS</u>	35

Foreword

In 2010, after examining its governance system, the company's Board of Directors decided not to continue to adhere to the Self-Regulatory Code for Listed Companies issued by the Italian Stock Exchange "Borsa Italiana S.p.A." This decision was due primarily to the need to have a basic, dynamic structure that is better suited to the market in which the company operates, to enhance efficiency by assigning the task of Corporate Governance to the executive directors, and to entrust the monitoring, control and assistance functions to the non-executive directors and to the board of statutory auditors. Other considerations that at the time influenced this decision were:

- the existence of a majority shareholder represented by a Chairman who is also Chief Executive Officer;
- a Board of Directors composed of (then) five members, only one of which was independent;
- the absence of internal committees on the board of directors with the exception of the Executive Committee - which at the time was made up of 3 executive directors - and which meets only in unscheduled cases when urgent decisions need to be made.

The Board of Directors, which today is made up of seven members (until 17.12.2019, it had eight members), confirms its status of non-adherence to the Code, leaving the duties – which would theoretically be assigned to the internal committees – under the coordination of its Chairman (who is also responsible for company operations) and of one Chief Executive Officer (until 17.12.2019, there were two Chief Executive Officers). However, in sharing the spirit of transparency and fairness that characterizes the provisions of the Self-Regulatory Code, the Board of Directors has drawn up this report on Corporate Governance, which summarizes the practices the company actually follows, in accordance with current legislation and regulations.

1. Issuer's Profile

The Group, whose parent company is Danieli & C. Officine Meccaniche S.p.A. (hereinafter referred to as DANIELI or the Company), has its main operating companies in Italy, the United States, Russia, The Netherlands, Germany, Sweden, the United Kingdom, France, Spain, India, Thailand, China, Vietnam, Austria and Japan. It designs, manufactures and installs machines and plants for the metallurgical industry – including “turnkey” plants – using technologies and products which cover the entire production cycle, from ore processing to finished steel products in a wide range of types and sizes.

Specifically, DANIELI, with more than 90% of its sales in foreign markets, employs about 2,428 people (9,060 for the Group) and is one of the top three companies in the world for both the manufacture and the design of plants and machines for the metallurgical industry; it places particular emphasis on the concepts of sustainability (“SustSteel”) and “Recycling” of steel in the field of EAF-based minimills; it is second in the world in the manufacture of plants for the production of flat products, and, finally, world leader in the manufacture of plants for the production of long products.

The Danieli Group is also directly involved in the making of long steel products, through Acciaierie Bertoli Safau S.p.A. (ABS) in Italy and ABS Sisak d.o.o. in Croatia (special steels for the following industries: automotive, heavy equipment, mechanical engineering, energy and petroleum).

DANIELI has implemented a Governance and Internal Control System to deal with complex business situations both domestically and internationally, in the interest of the stakeholders and the communities in which the company operates.

The company encourages compliance with standards of efficiency and safety, and demands commitment, responsibility and adherence to these principles at all levels of its organization.

DANIELI's personnel is required to comply with the national and supranational laws and regulations in force in Italy and abroad, particularly observing the transparency and the ethical principle according to which the belief of acting for the benefit of the company cannot in any way justify behavior that is in conflict with these binding laws and regulations.

DANIELI has adopted a traditional administration and control system and is therefore governed by a Board of Directors, whose Chairman and CEO also represents the majority shareholder (Sind International S.p.A.).

2. Information on Ownership Structure up to June 30, 2020

a) Share Capital Structure

The subscribed and paid-up share capital is euro 81,304,566, and is made up of 40,879,533 ordinary shares and 40,425,033 non-convertible saving shares, all with a par value of 1.00 euro each (see Table 1).

No other financial instruments were issued that confer the right to subscribe to new share issues, nor were share-based incentive plans approved involving increases of share capital, not even free increases.

b) Restrictions on the Transfer of Securities

There are no restrictions on the transfer of securities - except those provided for by law.

c) Major Shareholdings in Share Capital

DANIELI's major shareholdings, also according to the documents drawn up pursuant to art. 120 of Legislative Decree n.58 of February 24, 1998, (hereinafter TUF), are those held by the following shareholders:

- SIND INTERNATIONAL S.P.A. (majority shareholder) located in Milan (jointly held by Mr. Gianpietro Benedetti, on one side, and by Giacomo Mareschi Danieli, Anna Mareschi Danieli and Michele Mareschi Danieli on the other);
- DANIELI & C. OFFICINE MECCANICHE S.P.A.;
- SANTALUCIA SEGUROS S.A.

d) Securities that Confer Special Rights

The company has not issued any securities that confer special rights of control.

e) Employee Shareholding: Mechanism for the Exercise of Voting Rights

The corporate by-laws do not provide for any employee shareholding programs.

f) Restrictions on Voting Rights

There are no restrictions on the right to vote - except those provided for by law.

g) Agreements between Shareholders

The company is not aware of any agreements between shareholders pursuant to art. 122 of TUF.

h) Change-of-control clauses and by-law provisions regulating takeover bids

There are no major agreements entered into by the company or by one of its subsidiaries with third parties, which will become effective, be modified or cancelled if there is a change in control of the contracting company.

The by-laws do not contain any provisions referring to takeover bids, in which case reference must be made to the provisions contained in the Civil Code and in the special laws concerning this subject matter.

i) Powers to Increase Share Capital and Authorizations to Purchase Own Shares up to June 30, 2020

Pursuant to art. 2443 of the Civil Code, the Board of Directors has the power to increase the share capital, either all at once or gradually, up to a total maximum amount of euro 100,000,000, through the issue of ordinary and/or savings shares to be allocated free of charge to the assignees and/or to be offered as a payment option, with the right to set aside a portion of the shares being issued - within the limits of the law - for the directors and employees of the company and/or its subsidiaries. Pursuant to art. 2420 ter of the Civil Code, the Board of Directors also has the power to issue bonds – including convertible bonds – up to a maximum amount of 150,000,000 euro.

These powers were renewed for an additional five-year term by the shareholders during the extraordinary meeting held on October 28, 2014, and will be re-submitted for discussion at the next shareholders' meeting to approve another five-year renewal.

As far as own shares are concerned, for the year ended June 30, 2020, the company held a portfolio of 2,961,213 ordinary shares amounting to 7.24% of ordinary share capital, and 3,945,363 savings shares amounting to 9.76% of savings share capital.

During the shareholders' meeting held on October 28, 2019, the Board of Directors was authorized to purchase and sell the company's ordinary and savings shares in compliance with current regulations and according to the board's prudent assessment, under the following conditions:

- a) except in very unusual cases, the purchase and sale of shares are subject to a Board of Directors' resolution and must fall within the limits allowed by the current pro tempore rules; they must take place in regulated markets based on their quotations in these markets, according to the terms agreed with the market management company allowing compliance with the principle of equal treatment of shareholders pursuant to art. 132 of TUF;
- b) considering the number of ordinary and savings shares currently in the portfolio of the company or any shares in the portfolios of its subsidiaries, under no circumstances shall the par value of the purchased shares exceed one fifth of the share capital at par value, subject to the provisions of art. 2357, paragraph 3 of the civil code;
- c) the authorization will be valid until the shareholders' meeting to approve the financial statements for the year ended June 30, 2020, and in any case not after November 30, 2020;
- d) the minimum and maximum purchase prices for both categories of shares will be set at a unit price between +20% and -20% of the official stock exchange price on the day preceding the one on which the transaction takes place;
- e) the sale price of the shares in item d) and of those currently in the portfolio shall not be less than their stock exchange value at the time of the sale.

j) Management and Coordination

Although it is controlled by another company (Sind International S.p.A.), the Company is not subject to management and coordination by this company pursuant to art. 2497 and subsequent articles of the Civil Code; it is in fact DANIELI who manages and coordinates its direct and indirect subsidiaries. On October 28, 2019, the shareholders approved the "Regulations on management and coordination by Danieli & C. Officine Meccaniche S.p.A." published on the Company's web site www.danieli.com in the Section *Investors/Communication/Corporate Documents*.

Finally, the following should be noted:

- The information required in art. 123-bis, paragraph one, letter i) of TUF ("agreements between the company and the directors - omitted text - that provide for compensation in the case of resignation or dismissal without just cause, or if the employment relationship ceases following a takeover bid"), is included in the Remuneration Report published in compliance with art. 123-ter of TUF;
- The information required in art. 123-bis, paragraph one, letter l) of TUF (the regulations applicable to the appointment and replacement of directors - *omitted text* - and to changes to the by-laws, if they differ from the legislation and regulations that are additionally applicable") is illustrated in the Board of Directors' section of this Report (Section 4.1).

3. Compliance

The Company, as provided in art. 89-bis of Consob's Issuer Regulation, declares that it does not adhere to a Code of Conduct.

4. Board of Directors

4.1 Appointment and Replacement

The company boards were appointed during the shareholders' meeting of October 26, 2018, taking into

account the provisions of Law n. 120 of July 12, 2011, which introduced the concept of gender balance.

Their term in office will naturally expire with the closing of the financial statements for the year ending June 30, 2021.

Directors are appointed – as per art. 15 of the corporate by-laws requiring that their number be between five and eleven - from lists which have to be submitted at company headquarters within a specific period established by law (including by telecommunication), by shareholders who alone or together with other shareholders constitute the percentage of ordinary share capital specified in the statutory provisions (Consob has set a threshold of 2.5%), with the following distinctions:

-Each shareholder is allowed to submit one list.

-The lists must contain a number of progressively listed candidates, which cannot exceed the maximum number of members to be elected; they must also indicate which directors possess the independence requirements established by law and the by-laws. If the names of at least three candidates are submitted, the number of candidates of the gender that is inferior in number on the list must comply with the minimum quota established by current legislation on gender balance.

-Each candidate can only appear on one list, under penalty of being declared ineligible.

At least one of the members of the Board of Directors, or two if the Board is made up of more than 7 members, must possess the requirements of independence established by law for auditors as per art. 148, paragraph 3 of TUF.

Furthermore, pursuant to art. 147-quinquies of TUF, individuals performing administrative and managerial duties must possess the same good standing as the members of the boards of auditors, in compliance with the Regulation issued by the Ministry of Justice pursuant to art. 148, paragraph 4 of TUF, under penalty of forfeiting their position.

Together with each list, which must indicate the name of the proposing shareholders and the total amount of shares they hold, the following documents must be submitted, or the list will not be accepted:

- a statement from the shareholders, other than those who alone or jointly hold a controlling interest or relative majority, declaring that no relationships of affiliation exist between the former and the latter, as per art. 144-quinquies of the Consob Issuer Regulation;

-declarations in which each candidate accepts the candidacy, describes his/her personal and professional characteristics, stating, under his/her own responsibility, that there are no reasons for ineligibility or incompatibility, that he/she possesses the necessary requirements of good standing and – if necessary – of independence, as provided for in current regulations, as well as providing information on positions of administration and control held in other companies.

One of the members of the Board of Directors is from the list of minority shareholders which obtained the largest number of votes and that is not in any way connected, not even indirectly, with shareholders who have submitted or voted for the list which received the highest number of votes.

Each shareholder has the right to vote for only one list.

Depending on the number of members decided by the shareholders and in numerical order, the candidates on the list which receives the highest number of votes will be elected, with the exception of one, who will be the first candidate elected in numerical order from the list that received the second highest number of votes.

If the procedure described above does not comply with the law on gender balance, instead of the last candidate of the gender that is superior in number on the list of the majority shareholder, the next candidate elected will be of the gender that is inferior in number from the same list.

If only one or no list is submitted, and to appoint the directors required to complete the Board of Directors, the shareholders will deliberate by relative majority, provided this is in compliance with the law on gender balance.

The directors will hold office for three years; they can be re-elected and their term in office will expire on the date of the meeting called to approve the annual report for the last financial year in which they were in office.

In the case of resignation, revocation or dismissal of the majority of directors appointed to office, the entire board will be dismissed.

If during the year one or more directors pass away, the board will temporarily replace them by passing a resolution approved by the Board of Statutory Auditors, provided that the majority continues to be made up of directors appointed by the shareholders as per art. 2386 of the Civil Code, and provided that the law on gender balance is complied with.

If directors from the minority list need to be replaced, the Board – if possible - will co-opt the candidates listed in numerical order on the same list as the director to be replaced, in compliance with the law on gender balance; these candidates will renew the acceptance of their candidacy in writing, and submit it together with the declarations stating that they possess the requirements to hold office as specified in current regulations and in the corporate by-laws.

The company is not subject to further provisions in this respect.

For further details on the appointment procedure please refer to the by-laws.

Succession Plan

The company does not have a specific succession plan in the case of early replacement of an executive director; the Board of Directors will be asked to make a decision on this matter.

As regards the corporate organization on the whole, an outline of management figures prepared by the Department of Human Resources provides, for each “key” role, figures of a suitable professional level, who at any time would be able to take on the role of the executive to be replaced. Moreover, the Department of Human Resources has adopted new methods to apply to personnel recruitment, facilitating the identification and enrichment of specialized professionals within the company, undertaking to increase the continuous training of personnel through periodical verification of performance, thus ensuring excellent levels of competence.

4.2 Composition

The by-laws state that the Company must be governed by a Board of Directors made up of a minimum of five and a maximum of eleven members; at the general shareholders’ meeting held on October 26, 2018, the company boards were renewed and eight directors were appointed.

As of June 30, 2020, the incumbent members of the Board of Directors are:

- 1 Gianpietro Benedetti, Chairman and CEO
- 2 Camilla Benedetti, Deputy Chairman;
- 3 Alessandro Brussi; Deputy Chairman (as of December 12, 2019);
- 4 Giacomo Mareschi Danieli, CEO
- 5 Carla de Colle
- 6 Chiara Mio (independent, non-executive director according to law)
- 7 Giulio Capocaccia (independent, non-executive director according to law)

The directors were elected according to current regulations and the by-laws, based on two lists, one submitted by the majority shareholder Sind International S.p.A. and the other by a group of minority shareholders (Anima Star Italia Alto Potenziale, Arca Economia Reale Bilancio 30, Eurizon Progetto Italia 20, Eurizon PIR Italia 30, Eurizon Progetto Italia 70, Eurizon PIR Italia Azioni, Eurizon Azioni PMI Italia, Eurizon Progetto Italia 40, Eurizon Fund - Equity Small Mid Cap Italy, Fideuram Asset Management (Ireland) - Fonditalia Equity Italy, Fideuram Italia, Fideuram Azioni Italia, Piano Bilanciato Italia 50, Piano Bilanciato Italia 30, Interfund Sicav - Interfund Equity Italy, GIS European EQTY Recov, GSMART PIR Evoluz Italia, GSMART PIR Valore Italia, Mediolanum Flessibile Futuro Italia e Mediolanum Flessibile Sviluppo Italia).

The majority shareholder proposed the following list of candidates: Gianpietro Benedetti, Camilla Benedetti, Giacomo Mareschi Danieli, Alessandro Trivillin, Alessandro Brussi, Carla de Colle, Chiara Mio and Maurizio Fermeglia, which was voted by 67.34% of those with voting rights; the list of minority shareholders proposed the following candidates: Giulio Capocaccia e Laura Cavatorta, which was voted by 9.64% of those with voting rights.

On December 17, 2019, Mr. Alessandro Trivillin resigned from the office of Director and from the position of Chief Executive Officer. By June 30, 2020, the Board of Directors had not as yet selected a replacement.

The Board of Directors complies with the ex lege requirement of gender balance. Its executive directors include key figures within the Group, who have earned respect by holding more and more important positions with increasing degrees of responsibility; coming from different educational backgrounds, they are able to increase efficiency for the purpose of running the company businesses in a profitable manner. Generational factors have also been taken into account, bringing in younger Board members - together with

more experienced figures – who have a less traditional and more innovative vision. The Board also includes two independent directors, one with a university and financial background and the other from the field of domestic and international consulting on commercial and managerial matters.

Thanks to the contribution of the independent directors, the Board feels it possesses effective tools to successfully face the challenges that await the company in the future.

The Board of Director's term in office will expire when the shareholders are called to approve the financial statements for the year ending on June 30, 2021.

Personal and Professional Characteristics of each Director

Gianpietro Benedetti

Born in Udine on May 16, 1942

Education and work experience:

1961 Diploma from the Malignani Technical Institute of Udine.

His first appointment as director of DANIELI dates back to 1985.

His personal and professional career begins at DANIELI and continues to this day.

1961 Hired as an apprentice designer

1965 Project Manager

1966 Head of plant start-ups

1968 Manager of the Technological and Rolling Process Department

1970 Steel Plant Engineer

1976 Sales Director

1982 Director of Sales, Project Managers, Engineering Departments and Research Center

1985 Chief Executive Officer, Director of Sales & Research Centre

1990 Chief Executive Officer, Managing Director

2003 Chairman and CEO

Chairman of the Executive Committee

Also:

1999-2004 Member of the Board of Directors of Banca Popolare Friuladria S.p.A.
(Banca Intesa)

2000 Honorary degree in Mechanical Engineering awarded by the Università degli Studi of Trieste

2002 "Federico Giolitti" prize awarded at the 7th European Steelmaking Conference

2004 "Premio del Lavoro e del Progresso Economico" awarded by the Executive Committee of the Chamber of Commerce of Udine at the 51st prize-giving ceremony

2006 Honorary degree in Engineering Management awarded by the Università degli Studi of Udine

2006 Awarded the "Cavaliere del Lavoro della Repubblica Italiana"

2009-2009 Member of the Board of Directors of Cassa di Risparmio del Friuli Venezia Giulia S.p.A. (Intesa Group).

2010 President of the foundation "ITS – Istituto Tecnico Superiore nuove tecnologie per il made in Italy, indirizzo per l'industria meccanica ed aeronautica" of Udine.

2013 Member of the Board of Directors of Crédit Agricole Friuladria S.p.A. (Crédit Agricole Group).

2015/2017 Member of the Board of Directors of the MIB School of Management (Triest)

2017 Since 26.9.2017 Chairman of the Board of Directors and of the 'Executive Board of Danieli.

2017 In November, he was awarded the "Targa dell'Eccellenza" by the Chamber of Commerce of Udine, during the 64th *Premiazione del Lavoro e Progresso Economico*

2018 AIST (Association for Iron & Steel Technology) Tadeusz Sendzimir Memorial Medal (Philadelphia – May 2018)

2018 Honorary degree M.B.A. in International Business from the MIB School of Management of Triest (May 2018)

Owner of various patents for steelmaking machines and processes.

Camilla Benedetti

Born in Udine on June 14, 1980.

Education and work experience:

- 1999 Diploma from the Gaspare Bertoni scientific high school in Udine
- 2004 Degree in Economics and Business from the Università Cattolica del Sacro Cuore in Milan

Her first appointment as director of DANIELI dates back to 2015.

- 2005-2006 Auditor with Ernst&Young in Treviso
- 2006-2008 Auditor with Ernst&Young in Milan
- 2008-2010 Management control: Controller of European/American subsidiaries for the Danieli Group
- 2012-2014 Corporate Governance: Coordinator of Compliance Project pursuant to Law 262/05 for Danieli & C S.p.A.
- 2012-2014 General Accounting: Head of Accounts Payable Department and Head of Cash Office for Danieli & C S.p.A.
- 2015 Appointed Director for DANIELI and Head of Organizational Development for the Danieli Group in the field of Human Resources.
- 2016 Appointed Head of the Human Resources Department for the Danieli Group.
- 2016 Appointed Director on the Board of MIP Politecnico di Milano – Graduate School of Business.
Member of the scientific committee of MIB Triest – Graduate School of Business
- 2017 Appointed Deputy Chairman of Danieli’s Board of Directors.
- 2018 Appointed Director on the Board of MIP Politecnico di Milano – Graduate School of Business.

Giacomo Mareschi Danieli

Born in Latisana (UD) on November 4, 1980.

Education and work experience: Degree in Electronic Engineering from the Politecnico di Milano.

His first appointment as director of DANIELI dates back to 2009.

- 2005 Practical training at Acciaierie Bertoli Safau S.p.A. on “Development and maintenance of Level 1 automation software for a casting and rolling plant”.
- 2006 Project Coordinator on the E.S.I. jobsite in Abu Dhabi (UAE)
- 2008 Site Manager for the subsidiary Danieli Construction International S.p.A. in Ukraine
- 2008-2016 Member of the Board of Directors of the controlling company Sind International S.p.A.
- 2009 Appointed Member of DANIELI’s Board of Directors without executive powers.
In charge of macroplanning for the Thai subsidiary Danieli Co. Ltd.
- 2011 Appointed Member of the Board of Directors of Danieli Co. Ltd.
Appointed Director of the “Flat Products” Division and CEO of Danieli Co. Ltd.
- 2015 Appointed Executive Manager of “Sales” and “Danieli Plant Engineering”
Member of the Executive Committee
- 2017 Appointed Chief Executive Officer of DANIELI.

Alessandro Brussi

Born in Gorizia on March 8, 1961

Education and work experience:

- 1980 Scientific high school diploma from Michelangelo Buonarroti high school
- 1986 Degree in Economics and Business from the University of Triest.

1990 Degree in Political Science from the University of Trieste

His first appointment as director of DANIELI dates back to 2015.

1992 Registered with the Association of Certified Public Accountants of the province of Gorizia;

1995 Registered with the Association of Financial Auditors (with Decree 12.4.95 G.U.R.I. n. 31 bis IV special series of April 21, 1995)

Distinguishing characteristics:

After working as a researcher for the University of Trieste, he was employed with the auditing company Coopers & Lybrand for a few years, where he performed mandatory certification of financial statements for companies such as Assicurazioni Generali and Fincantieri, as well as the duties of senior analyst in both national and international merger & acquisition transactions.

Since 1991 he has been working at Danieli & C. Officine Meccaniche S.p.A., where he performs administrative/accounting/fiscal duties, and has been appointed:

- Officer in charge of keeping the corporate accounting documents;
- Office in charge of administrative/financial duties for the parent company Danieli & C Officine Meccaniche SpA;
- Officer in charge of the consolidated financial statements for the Danieli Group, and relations with subsidiaries and affiliates.

He is also Risk Manager and Investor Relator.

He also holds positions in some subsidiaries and affiliates of the Danieli Group

In 2015 he was appointed to Danieli's Board of Directors, vested with administrative and financial powers. He is also on the company's Executive Committee.

On December 12, 2019, he was appointed Deputy Chairman of the Company.

Carla de Colle

Born in Udine on April 14, 1943

Her first appointment as director of DANIELI dates back to 1999.

1963 She begins her professional career with the Danieli Group, reaching the position of Head of Cost Accounting and Management Control for the Parent Company.

1981 In charge of setting up and starting up Danieli's Production Planning system.

1982 Appointed company executive

1984 Appointed General Manager of Danieli Natisone – a subsidiary operating in the design and sale of cold processing plants.

1991 Appointed Deputy General Manager of DANIELI, in charge of production and associated services such as purchasing, material stores and related activities.

1999 Appointed Member of DANIELI's Board of Directors with executive powers.

2003 Appointed Chairman of Acciaierie Bertoli Safau SpA - a company belonging to the Danieli Group.

2003-2017 Appointed Executive Deputy Chairman of DANIELI.

2017 Appointed Member of DANIELI's Board of Directors without executive powers.

Chiara Mio

Born in Pordenone on November 19, 1964.

Education and work experience: Degree in Economics and Business Management from the Cà Foscari University in Venice

His first appointment as director of DANIELI dates back to 2015.

She is registered with the Association of Certified Public Accountants of Pordenone and with the Association of Financial Auditors.

Full professor for the Department of Management at Cà Foscari University, teaching the following courses: Corporate Reporting (Master's Degree in English), Management Control (Master's Degree in English) and Strategic Planning and Management of Sustainability (Master's Degree).

Director of MUMISS Master, first-level Master's Degree in strategic innovation

She is President of the Academic Board for the Master's Degree in "Economics and Business Management". Vice-Dean for Environmental Sustainability and Corporate Social Responsibility from 2009 to 2014.

She is specialized in the following fields:

- Management control systems in both the private and public sectors, and in non-profit companies;
- Performance measuring;
- Triple bottom line performance measuring;
- Corporate social responsibility and company governance systems;
- Public company reporting and voluntary, social and environmental activities;
- Asseveration and control of sustainability communication;
- Integrated Reporting.

She works with several magazines such as the Rivista Italiana Ragioneria ed Economia Aziendale, Cultura e contabilità

aziendale and the Social and Environmental Accountability Journal.

Since 2010 she has been a member of the editorial committee and reviewer of the magazine Corporate social responsibility and environmental management.

She is a partner in Aidea — Accademia italiana di economia aziendale.

In 2006 she was appointed to the Sustainability Expert Advisory Panel (SEAP), a consulting body of the International Federation of Accountants (IFAC).

For many years she has been President of the committee on "Environmental Consulting" of the National Council of Certified Public Accountants and Financial Auditors.

President of the scientific committee of GBS Gruppo Bilancio Sociale.

Since March 2014 she has been a member of the Board of Directors of Crédit Agricole FriulAdria SpA. (Credit Agricole Group Italy), of which she has been President since October 2014.

Since 2015 she has been the Chairwoman of the ESG Task Force in Accountancy Europe, Brussels.

As of October 26, 2015, she is a member of the Board of Directors of DANIELI, and possesses the requirements of independence set forth in art. 148, paragraph 3 of the TUF.

She is currently a member of the Board of Directors of the following listed companies: Eurotech SpA, Nice Group SpA, OVS SpA, Servizi Italia SpA and the following unlisted companies: BluEnergy Group SpA, MCZ Group and Anteo srl.

Giulio Capocaccia

Born in Genoa on February 2, 1965.

Education and work experience:

- | | |
|--------------|--|
| 1983 | Diploma with top marks from the classical high school Liceo A. D'Oria in Genoa |
| January 1989 | Degree with top marks in Electronic Engineering, with honors and published thesis at the University of Genoa |
| 2005 | Accelerating Leadership Performance, GE Crotonville |
| 2008 | Senior Leadership Development Program, IMD, Lausanne |

Work experience:

- | | |
|-----------|--|
| 1989-1998 | Orsi Automaz. (now Siemens) Control Systems and Industrial Software -
Various technical and managerial positions in Italy and Spain |
| 1998-2002 | Emerson Software - Industrial Regional Manager, southern and eastern Europe, Italy |

2003-2006	GE Industrial Software Commercial Leader EMEA, Software, Target Markets & Key Accounts, Luxembourg
2006-2008	ABB Energy VP, Sales & Marketing, Italy
2008-2011	ABB Energy General Manager, Medium Voltage Products, Italy
2011-2012	ABB Motors, drives, power conversion, robotics - General Division Manager, Discrete Automation and Motion, Mediterranean region, Italy
2013-2017	ABB Industrial Digitalization, Energy, Automation, Robotics; Group Senior VP, Corporate Head of Marketing & Sales, Head of Food & Beverage, Switzerland
2018 - Today	Danieli Steelmaking; Board of Directors, Italy
2018 - Today	Advent International Private Equity - Operations Advisor, United Kingdom

Expert in sales organization, productivity, Customer Relationship Management, Mergers and Acquisitions, Global Initiatives, Industrial Automation, Industrial Software, Artificial Intelligence, Digitalization.

Positions held in Other Companies

Although the Board of Directors has not established the general criteria concerning the maximum number of administrative and auditing positions that a person can hold in other companies, considered to be incompatible with the effective performance of the position of director in this Company, it has made the following observations; most of the positions held by the executive directors are within the Danieli Group; the Independent Directors perform their duties at Danieli with constant effective commitment.

As of June 30, 2020, the Directors of Danieli & C. Officine Meccaniche S.p.A. hold the following positions as Directors or Statutory Auditors in other companies listed on regulated markets (including foreign markets), in financial, banking and insurance companies or large companies, as well as in Group subsidiaries (*) or affiliates (**):

Gianpietro Benedetti	Sind International SpA	Chairman
	*Acciaierie Bertoli Safau SpA	Director
Camilla Benedetti	Sind International SpA	Director
	*Morgardshammar AB	Director
	*Sund Birsa AB	Director
	Thuya s.r.l.	Sole Director
	MIP Politecnico di Milano	Director
	MIB Trieste	Director
Giacomo Mareschi Danieli	*Acciaierie Bertoli Safau SpA	Director
	*FATA S.p.A. (with sole shareholder)	Director
	*Danieli Centro Cranes SpA	Director
	*Danieli Co. Ltd.	Chairman
	*Innoval Technology Limited	Director
Alessandro Brussi	*Danieli Automation SpA	Director - Vice-President
	*Danieli Construction International SpA	Director
	*FATA S.p.A. (with sole shareholder)	Director
	**Inrail SpA	Standing auditor
	**Interrail SpA	Standing auditor
	**Telefriuli SpA	Standing auditor
	*Danieli Finance Solutions SA	Director
	*Danieli Co. Ltd.	Director
	*Danieli Engineering Japan Co. Ltd.	Director

	*Danieli Holdings, Inc.	Chairman
	*Danieli Technology, Inc.	Chairman
	*Danieli Middle East for Eng. Serv. LLC	Director
	*Industrielle Beteiligung SA	Director
	*Rotelec SA	Director
	*Termo Makina AS	Director
Carla de Colle	*Acciaierie Bertoli Safau SpA	Chairman
	*ABS Sisak d.o.o.	Supervisory board member
	*Absolute Scarl	Chairman and CEO
Mio Chiara	Crédit Agricole FriulAdria SpA	Chairman
	Corà Domenico & Figli S.p.A.	Chairman
	Eurotech SpA	Director
	McZ Group	Director
	Bluenergy Group Spa.	Director
	O.V.S. Spa	Director
	Servizi Italia SpA	Director
	Piovan S.p.A.	Director

Induction Programme

DANIELI'S executive directors received their professional training within the DANIELI Group, gradually acquiring greater skills in the field of business in which the company and its subsidiaries operate; they attend the frequent meetings called by the Chairman who also promotes numerous initiatives (events, congresses, management training courses, etc.) in order to enhance corporate dynamics, their evolution, the regulatory framework and corporate ethics. The independent directors may also take part in these initiatives.

4.3 *Function of the Board of Directors*

During the year ended June 30, 2020, the Board of Directors met five times.

The average duration of the meetings was about two hours.

For the current year (2020/21), considering that the requirement to publish pre-approved interim reports has been repealed, two meetings have been scheduled to approve the financial data, one of which was held on September 24, 2020; however, the Board feels it should meet regularly also to examine the interim financial data and in any case any time the Chairman deems it necessary.

The Chairman of the Board of Directors will make sure that all the Directors and Auditors receive the information and documentation needed for informed decision-making, sufficiently in advance. If the items on the agenda require particular explanations or details, executives from the Parent Company or from Group companies as well as department managers may also be invited to attend the meetings, after having been given sufficient advance notice.

Rarely during the meetings are topics discussed without having first provided the pertinent information.

The Board of Directors examines and approves the strategic, industrial and financial plans of the company and the Group, and ensures they are implemented; it is also responsible for setting up a Corporate Governance system for Danieli and for organizing the Group under the Parent Company.

The Board of Directors assesses the suitability of the general organizational, administrative and accounting structure of the company set up by the executives, with particular reference to the internal control and risk

management system. Major transactions reported by the Head of Internal Audit are examined by the Board of Statutory Auditors, the Independent Directors or the Supervisory Committee, as the case may be.

In performing the control and coordination of the subsidiary companies' operations, the Board of Directors also assesses the suitability of the organizational, administrative and general accounting systems set up by the Executive Directors of the subsidiaries, with particular reference to the Internal Control and risk management system. The results produced by the organizational, administrative and accounting structure are then verified in practice by the monitoring bodies and the Supervisory Committee – if appointed - of the subsidiaries.

Specifically, the above is the case for those subsidiaries which, because of their turnover and equity, are considered to be functionally important for the Group:

- Acciaierie Bertoli Safau S.p.A. (Italy)
- Danieli Automation S.p.A. (Italy)
- Danieli Co. Ltd. (Thailand)
- Industrielle Beteiligung SA (Luxembourg)
- Danieli Finance Solutions SA (Luxembourg)
- Danieli Changshu Metallurgical Equipment & Services Co. Ltd. (China)
- Danieli India Limited (India)
- Danieli Corporation (USA)

The Board examines the general performance of operations by considering the information provided by the delegated bodies and by periodically comparing actual and planned results, with the possibility of requesting additional information or clarifications in order to properly evaluate the facts submitted to the board for discussion.

According to the Code for Transactions with Related Parties (approved by the Board of Directors on November 12, 2010, and subsequently modified on November 14, 2012) the Board of Directors is responsible for first examining and approving:

- the most significant transactions of the Company and its subsidiaries, if these transactions have considerable strategic, economic, capital and financial importance for the company;
- transactions of the Company and its subsidiaries in which one or more directors has an interest, either for himself or on behalf of third parties.

To this end, the Code, in line with the Consob regulation for the sector, states that transactions with related parties must be recorded and divided into transactions involving small amounts - setting a threshold of 0.5 million euro – and into minor and major transactions, determining for the latter specific identification parameters.

All extraordinary financial transactions are explained to the Directors by the Chairman and examined and commented on in detail at each meeting of the Board of Directors.

The shareholders have not authorized any exceptions to the non-competition clause for directors, either for themselves or for third parties, pursuant to art. 2390 of the civil code.

Self-assessment:

At the end of each financial year, the Board of Directors assesses the size, composition and operation of the Board and the Executive Committee; this assessment is based on the Directors' replies to a questionnaire sent to them sufficiently in advance. The questionnaire is reformulated annually taking into consideration numerous aspects such as the composition of the Board, the professional characteristics of the directors and how long they have been in office.

The replies are collected anonymously by the Department of Corporate Affairs and examined and commented on by the Independent Directors; for the year that just ended, the Board assessed its merits after the Board of Statutory Auditors also expressed its opinion.

In conclusion, the assessment of the suitability, efficiency and operation of the board was positive for fiscal 2019/2020 as well.

4.4 Delegated Bodies

Executive Directors

Of the seven directors in office, five have executive powers, namely:

- the Chairman and CEO, Mr. Gianpietro Benedetti;
- The Deputy Chairman, Ms. Camilla Benedetti, who may act as signatory or representative of the company if the Chairman is absent or unable to act. Ms. Benedetti has also been given sufficient powers as head of the Human Resources Department and co-Head of the Group's Organizational Development.
- the Head of Administration and Finance, Mr. Alessandro Brussi, who is responsible for the Company's accounting, administration and finance; in operations that are financially binding for the company, his signature is required together with the signature of other directors and/or attorneys if the limits prudentially established by the Board of Directors are exceeded.
- The Chief Executive Officer, Mr. Giacomo Mareschi, who has been given the same wide-ranging powers for all commercial and plant-related activities, with major transactions to be concluded with the joint signature of other directors.

Chairman of the Board of Directors

The Chairman is mostly responsible for running the Company (Chief Executive Officer) and for developing company and Group strategies; he also represents the controlling shareholder.

All the powers of the Board of Directors have been conferred on the Chairman and CEO, with the exception of those that cannot be delegated by law, and those concerning safety, environmental protection and administration; this is, however, without prejudice to the obligation of reporting to the Board of Directors.

The Company by-laws assign signing power and company representation on legal and other matters to the Chairman of the Board of Directors, and to the two Deputy Chairmen if the former is absent or unable to act.

Because of the demands of the international steelmaking plant market, which require rapid decision-making, no power limitations have been set for the Chairman and CEO, with the exception of those required by law.

Nonetheless, decisions by the company boards are preferred whenever possible.

Executive Committee

The Executive Committee has all the powers of the Board of Directors, with the exception of those that cannot be delegated by law or by the corporate by-laws, and is obligated to report its decisions to the Board of Directors at the first subsequent meeting.

It is made up of three members (until December 17, 2019, given the resignation of Mr. Trivillin, it was made up of four members): the Chairman Mr. Gianpietro Benedetti; Mr. Alessandro Brussi and Mr. Giacomo Mareschi Danieli.

The Executive Committee meets to deal with operating emergencies; the members of the Board of Legal Auditors are always invited to attend these meetings.

Only one meeting was held during the year ended June 30, 2020.

Reporting to the Board

The executive directors report to the Board of Directors on the most significant transactions carried out or to be carried out by virtue of their powers.

4.5 Independent Directors

Of the seven incumbent members of the Board of Directors, Mr. Giulio Capocaccia and Prof. Chiara Mio, who joined the Board of Directors in 2015, possess the requirements of independence – as regards the company, the directors and the management of the company – specified in art. 148, paragraph 3 of the Consolidated Law on Finance. The existence of the above-mentioned prerequisites was examined and confirmed by the Board of Directors, and declared by the two directors themselves during their appointment by the shareholders on October 26, 2018.

Moreover, the Board of Statutory Auditors, which ensures that the rules of corporate governance are properly implemented, has also verified that the criteria and procedures used by the Board of Directors to assess the independence of its members were properly applied, and has confirmed that Mr. Giulio Capocaccia and Professor Chiara Mio possess the requirements of independence.

The independent directors regularly take part in board activities, and during the year they also met as independent directors; they also invite other directors to attend these meetings.

The purpose of these meetings is to deal with the issues concerning the challenges that the company must or can face in the future to maintain and consolidate its position on the international market. Moreover, during the meetings, the documents, procedures and processes to be discussed by the Board of Directors (previous or imminent) are examined, in order to debate or delve into matters that concern the company, thus also allowing the Independent Directors to fully understand them.

The Independent Directors meet as often as is considered necessary to perform their duties, as no meeting schedule is drawn up for each fiscal year.

5. Handling of Corporate Information

Dealing with corporate information is the responsibility of the Chairman and CEO.

Relations with financial analysts and institutional investors are coordinated by the Chairman and CEO through the “Investor Relations” department.

Press releases concerning resolutions approving the half-yearly and yearly results, as well as any extraordinary transactions, are generally first submitted to the Board of Directors for approval.

Pursuant to art. 115-bis of the TUF, on April 1, 2006, the Company set up a “List of people with access to Inside Information”, which is periodically updated.

Following the coming into force on July 1, 2016, of the European MAR (EU regulation n. 596/2014), during the 2015-16 year the company drew up and adopted a “Procedure on keeping a list of people with access to inside information”, in the format specified in Implementing Regulation (EU) 2016/347 (ITS 347), for the purpose of monitoring the dissemination of sensitive news before it is made public, and to prevent the crimes stated in Legislative Decree 231/2001 from being committed. During the 2019/20 tax year, this Procedure was changed to the “Procedure to Manage Relevant and Inside Information”.

The list is divided into sections (one for each piece of Inside Information) and contains only details on individuals with access to the specific Inside Information on the list (“Single Section”).

The list also contains a “Permanent Section” containing the details of people who, because of their function or position, always have access to all Inside Information of the Company or the Group; these people are listed below:

- a) The Chairman of the Board of Directors and the Executive Directors and their staff
- b) The Head of Human Resources
- c) The Head of Administration and Finance
- d) those with access to “Macroplanning”
- e) The Sales Director
- f) The Head of the Legal Department
- g) The head of “Contracting & Financing”
- h) the Internal Audit manager

The people included in this list are informed of their inclusion on the list and of the legal and regulatory obligations deriving therefrom, and of the criminal and administrative sanctions they are subject to if they break the rules.

In addition to the Designated Officer (Head of Corporate Affairs), the members of the Board of Directors and Board of Auditors, the head of Internal Audit and the members of the Supervisory Committee have access to the list.

The procedure mentioned above is published on the company's web site www.Danieli.com, in the section *Investors/Communication/Corporate Documents*.

6. Board Committees

With the exception of the Executive Committee, for the time being the Board of Directors did not deem it necessary to set up other board committees.

As regards the remuneration of directors vested with particular responsibilities, the Independent Directors will make proposals that are in line with market practices, and the decisions are then made collectively with the approval of the Board of Statutory Auditors.

Also as regards the diversity policies concerning the composition of company boards, it is the entire Board of Directors that makes the decisions of the Appointments Committee, if one has been set up. The opinion of the Independent Directors and of the Board of Statutory Auditors is given ample consideration.

The duties of the Appointments Committee and the Remuneration Committee are therefore the responsibility of the entire Board of Directors under the coordination of the Chairman.

7. Diversity policies applied according to the composition of administrative, management and supervisory boards

Pursuant to art. 10 of Legislative Decree 254/2016 and art. 123-bis, paragraph 2, letter d-bis) of TUF, below is a description of the policies applied by DANIELI in regard to the composition of the administrative, management and supervisory boards in terms of gender and age diversity, training and professional background.

Gender Diversity

The composition of the board of directors, management and supervisory boards complies with the legal provisions of law 120/2011 and Consob resolution 18098 of 2012. DANIELI has introduced specific dispositions to its by-laws to ensure a balanced presence and representation of genders on company boards.

In particular, the Board of Directors will take into account the above-mentioned provision if any Directors are replaced pursuant to art. 2386 of the civil code and articles 15 and 22 of the by-laws, and in reminding the Shareholders in the explanatory memorandum to submit lists that take into account gender balance, in relation to the items on the agenda.

Board of Directors

<u>Gender</u>	<u>Percentage</u>
Female	43%
Male	57%

Board of Statutory Auditors

<u>Gender</u>	<u>Percentage</u>
Female	50.00%

Male	50.00%
------	--------

Age Diversity

The age diversity of current company board members is shown in the following tables: all generations are represented, especially on the board of directors.

Board of Directors

<u>Age Diversity</u>	
30 - 40	28.5%
41 - 50	0
51 - 60	43%
71 - 80	28.5%

Board of Statutory Auditors

<u>Age Diversity</u>	
30 - 40	16.67%
41 - 50	33.33%
51 - 60	16.67%
61 - 70	33.33%

Diversity in terms of training and professional background

The academic background of company board members is primarily in the fields of economics and engineering. These specializations are in line with DANIELI'S business.

DANIELI encourages and promotes continuous training and education on topics that have major significance for the Group, through the Induction Program training sessions (ref. Paragraph 4.2 of this report), and during the meetings of the Board of directors.

After examining the above facts, it is clear that on the company boards there is a mixture of professions, experience and points of view that are capable of comprehending the needs of the current and future operations of the Company and the Group, the risks, nature and complexity of the company and of the segment in which it operates, as well as the opportunities to seize in the medium-long term.

Even if there is no formal diversity policy on the Board of Directors – resulting from self-assessment – the Directors feel that the combined presence of different genders, generations, professional experience and expertise in various business segments makes it possible to profitably manage and run the Company and pursue operating efficiency of the administration, management and supervisory boards.

8. Directors' Remuneration

Please refer to the Report on Remuneration published in accordance with art. 123-ter of the Consolidated Law on Finance.

9. Control and Risks

As of September 27, 2010, following the issuing of Legislative Decree 39/2010, the Board of Statutory Auditors has taken on the role of “Internal Control and Auditing Committee”, for the purpose of monitoring – among other things - the effectiveness of the internal control and risk management system.

Within the scope of its institutional responsibilities as specified in current legislation, the Board of Statutory Auditors ensures that the accounting standards are applied properly and that they are homogeneous for the purposes of drawing up the consolidated financial statements; it expresses opinions and makes proposals on specific aspects concerning the company’s main risks, as well as on the organization, execution and management of the Internal Control system; it monitors the effectiveness of the auditing process; it assesses the work plan for auditing and the results shown in the external auditor’s report and in the letter of suggestions submitted by the latter.

No exclusions from the operating scope of the Board of Statutory Auditors have been envisaged.

10. Internal Control and Risk Management System

The Board of Directors has set out the guidelines of the internal control and risk management system (hereinafter the “System”), including a system of procedures to ensure proper, efficient management, as well as to prevent and manage (as much as possible) risks of a financial and operational nature, which could be detrimental to either the Company or its subsidiaries, for the purpose of:

- identifying, preventing, managing and monitoring risks of a financial and operational nature, including fraud, which could be detrimental to the Company;
- ascertaining, for each operating area, the suitability of the processes and procedures in order to ensure compliance with company directives and guidelines;
- ensuring that company assets are safeguarded;
- ensuring compliance with current legislation.
- ensuring trustworthiness, thoroughness, reliability and promptness in financial reporting.

The Board of Directors continues to strengthen the internal control and risk management system to ensure, on the one hand, that company processes run efficiently, and on the other hand, to prevent abuses that are detrimental to the company and its shareholders, by adopting criteria of transparency and legality.

The Board of Directors has assigned to the Chairman and CEO the task of establishing the essential points of the System within the scope of the guidelines established by the Board.

The Chairman and CEO is also responsible for:

- adapting this system to the operating conditions and to the legislative and regulatory framework; and
- appointing the officers in charge of carrying out Internal Control activities within the Company.

The System is based on four pillars:

- Internal Audit department
- Controllers as per L.262/2005
- Supervisory Committee

10.1 Internal Audit Functions and Internal Audit

Up to the month of September 2019, the internal control system was comprised of two separate sections:

- Internal Audit
- Compliance

Under a corporate restructuring plan, it was decided to join the two sections and appoint one person to run it.

a) Internal Audit

On September 25, 2019, the Board of Directors appointed the members of DANIELI'S Internal Audit department, selecting Mr. Vincenzo D'Imperio (already *Group Compliance Officer*) as head of the department, based on a proposal by the Chairman and CEO – Mr. Benedetti – with the approval of the Board of Statutory Auditors (acting as Internal Control and Audit Committee).

For this activity, the head of Internal Audit is not responsible for any operating area; hierarchically, he reports to the Chairman and CEO and in terms of organization works with the Chief Executive Officers and the Board of Statutory Auditors, providing the necessary information to the Board of Directors, the officer in charge of drawing up the accounting documents, the Compliance Manager and the Supervisory Committee.

The Internal Audit department operates on the basis of a mandate approved by the Board of Directors on October 28, 2019, which sets forth the mission, the extent, the role and responsibilities of the Internal Audit department, as well as the resources to perform the activities.

The main goal of the Internal Audit department is to verify the suitability of the internal control system of Danieli and its subsidiaries (Plant making).

The activities of the Internal Audit department include independent, autonomous and objective auditing and assurance as well as support and advisory services for the business to improve the effectiveness and efficiency of company processes.

The activities of the Internal Audit department are determined on a yearly basis in an audit plan agreed with the Board of Statutory Auditors, taking into account the requirements expressed by the Chairman, the Chief Executive Officers, the Officer in charge of preparing the accounting documents and the Supervisory Committee.

The Internal Audit department has full, free and unlimited access to company information, data, people, archives and goods to perform its duties, assuming specific responsibility in terms of confidentiality and protection of handled data and acquired information, in compliance with the mandate.

The Internal Audit Department periodically prepares:

- reports containing adequate information on its operations, as well as on compliance with the plans drawn up to restrict it. These reports refer to the results of the audits and to the analysis of the underlying corporate risks, while identifying any deficiencies in the Internal Control and Risk Management System, for which action could be required; the deficiencies and recommended actions are shown in the Internal Audit reports.

- reports on particularly significant events.

These reports are periodically shared with and promptly forwarded to the Board of Statutory Auditors and CEOs, and if the events in question so require, to the top management figure, the Supervisory Committee, the Group Compliance Officer and the Officer in charge of drawing up the corporate accounting documents.

b) Compliance

The Compliance department is run by the Group Compliance Officer whose institutional duties consist in providing adequate support to the business units to ensure that company processes are updated in keeping with the latest changes in legislation. Whenever necessary, the Group Compliance Officer also provides legal assistance to the various company departments to implement the organizational changes needed to ensure that the company's operations fully comply with legal requirements.

The *Group Compliance Officer* operates within the Department of Legal Affairs and hierarchically answers to the Head of this Department, while in terms of operations he answers to the Board of Directors to which he reports every six months.

c) Internal Audit and Compliance Plan for the 2019/20 Tax Year

For 2019/2020, the audit plan for the Internal Audit and Compliance departments was approved by the Board of Directors on October 28, 2019, and in accordance with this plan, the following activities were carried out:

- Operational Audits on processes:

Two procedures have been established to regulate business trips and related expenses and to regulate indirect purchases in order to mitigate the risk of significant expenses due to a lack of regulation on these matters.

- Audits of Subsidiaries:

Specific investigations to verify compliance with current corporate regulations by the subsidiaries belonging to the Danieli Group.

- *Compliance Audit:*

Specific investigations to verify compliance with regulations on workplace safety and the environment, and on the handling of personal data (GDPR).

- *Anti fraud monitoring plan:*

Specific activities to develop a Group method to hinder and prevent conduct that is in contrast with anti-fraud legislation and to monitor compliance with said legislation.

10.2 Monitoring Body as per L. 262/2005

Pursuant to L. 262/2005, DANIELI has set up a body to monitor company departments and ensure compliance with the company procedures used to prepare the book entries. Specifically, each year the monitoring body plans and carries out a series of controls using the following three methods, which can be adopted individually or jointly, depending on the case:

1. probative investigation (interview with the person in charge of the procedure);
2. observation (work shadowing of the person as he/she performs the operations being monitored);
3. examination of the documents gathered after the test.

The monitoring body uses “Tesi GRC” software to record and monitor test results over time.

Like other Italian companies operating in the field of industrial plant making, the monitoring body reports to the Officer in charge of preparing the book entries.

On a yearly basis, the Board of Statutory Auditors asks for proof of the results of the tests that are carried out.

10.3 Supervisory Committee

Pursuant to Legislative Decree 231/2001, in 2005 the company adopted an Organization, Management and Control Model.

As of October 26, 2018, the Supervisory Committee - in charge of overseeing the operation and observance of the model – is made up of the following members: Giuseppe Alessio Verni, President, Luca Ferraresi and Gianluca Buoro - attorney at law.

The Model contains a series of procedures intended to prevent the “underlying offences” stated in the above-mentioned Decree and its additions, that are considered to be significant with respect to the company’s business and organization. The adoption of these procedures is the responsibility of the Board of Directors on a proposal from the Supervisory Committee. Due to the current health emergency some of the activities that were on the program for 2020, such as training and monitoring, have been suspended.

During the financial year ended June 30, 2020, the Supervisory Committee performed the following activities:

- (i) training on environmental management protocol;
- (ii) continued monitoring of the distribution of the Code of Ethics within the Group;
- (iii) updating of the Model and its Protocols and issuing of new Protocols;
- (iv) monitoring the environment Protocol;
- (v) following up on the improvements that arose during the audit;
- (vi) checking certain reports received;
- (vii) examination of the self-assessment sheets by the various Managers of the areas referring to the Protocols adopted by the Company;
- (viii) monitoring of the various activities and the safety measures adopted by the Company concerning the COVID 19 health emergency.

In keeping with the best practices currently in use and Italian legislation, Danieli has adopted a system to collect and manage reports of irregularities or alleged violations of legislation and/or company policies and procedures, through a so-called “*Whistleblowing*” channel.

10.4 External Auditing Company

The external auditing company in charge of financial auditing for the nine years from July 1, 2019 to June 30, 2028, is Deloitte & Touche S.p.A., appointed by the shareholders during the meeting held on October 26, 2018.

Danieli felt that the shareholders should appoint the new auditing company one year in advance of the natural expiry of the previous auditing company’s mandate - EY S.p.A. - for an effective handover between the companies and to ensure the full independence of the new auditing company, as specified in current legislation on this matter.

Auditing is performed according to criteria of transparency and independence, the latter backed by an exchange of information between the auditing company and the Board of Statutory Auditors, which together draw up an auditing schedule; the Board of Statutory Auditors periodically receives information concerning any services other than auditing rendered to group companies, even if they are rendered by a firm belonging to its network, as well as a report on the activities performed and any reprehensible facts encountered (as per 153 TUF).

The fees paid to the external auditing company are those decided on October 26, 2019, by the shareholders; only in the case of new purchases or sales can these fees be subject to review.

Group auditing fees for the fiscal year in question amount to Euro 731.448.

10.5 Officer in charge of preparing the company’s accounting documents

The officer in charge of preparing the company’s accounting documents is Mr. Alessandro Brussi. He was appointed (in compliance with the corporate by-laws) by the Board of Directors on October 25, 2012, and his appointment was reconfirmed when the company boards were renewed on October 26, 2018. This officer also holds the position of Chief Administrative and Financial Officer within the same company.

Alessandro Brussi possesses the professional qualifications specified in the by-laws, namely:

- he has a university degree in economics;
- he has at least three years’ experience as a financial and accounting manager;
- he possesses the requirements of good standing expected of directors.

The Board of Directors has resolved that this appointed officer be granted suitable powers and resources for the performance of his duties, which are clearly stated in the document “Operating Guidelines for the Officer in Charge of Preparing the Company’s Accounting Documents”.

This officer reports to the Board of Directors during board meetings; he also makes sure that information continues to reach the Board of Statutory Auditors and the External Auditing Company.

10.6 Coordination among officers of the Internal Control and Risk Management System

In accordance with art. 19 of Legislative Decree 39/ 2010, the Board of Statutory Auditors acts as Internal Control and Auditing Committee for the company, and in this capacity checks and monitors the effectiveness of the internal control and auditing system.

To this end, the Board of Statutory Auditors:

- is kept informed as to the activities of the Internal Audit Department, expressing an opinion on the yearly Internal Audit program;
- can attend the meetings of the Supervisory Committee, on whose activities it is regularly updated;
- periodically organizes meetings with the head of the Internal Audit department and with the Officer in charge of drawing up the company’s accounting documents, suggesting pinpointed audits, giving advice and assigning special tasks whenever necessary.

11. Directors' interests and Transactions with Related Parties

Following the renewal of the company boards during the shareholders' meeting of October 26, 2018, out of the seven members of the current Board of Directors, two possess the requirements of independence: since the conditions to appoint a Committee for related-party transactions do not exist (the regulations specify that there must be at least three independent directors), on November 14, 2012, the Board of Directors modified the regulations by introducing – as provided for by law - the use of “equivalent internal controls” as specified in articles 7 and 8 of Consob Regulation 17221 of March 12, 2010.

The “Procedure for Related-Party Transactions” – exhaustive in identifying transactions defined as such, and modified as indicated above - is published on the company's website www.Danieli.com in the “Investors” section.

During the 2019/2020 financial year the members of the company boards or representatives of Group companies did not carry out any significant transactions of an “atypical” nature with related parties (not even indirectly).

12. Appointment of Statutory Auditors

The appointment of the Board of Statutory Auditors is governed by art. 22 of the company by-laws.

The Board of Statutory Auditors is made up of three Standing Auditors and three Alternate Auditors and the genders are evenly balanced.

The Statutory Auditors are chosen from candidates who possess the requirements set forth in the applicable regulations, and particularly in Decree 162 of March 30, 2000, issued by the Ministry of Justice.

The Statutory Auditors must therefore possess the requirements of good standing and professionalism set forth in the applicable regulations, under penalty of being disqualified from holding office, and – in order to evaluate their experience – it is established that the sectors that are closely related to the company's business are the production and sale of durable goods.

Their obligations, duties and length of term in office are those established by law.

By means of a written notification to the Chairman of the Board of Directors at least 40 days prior to the date set for the meeting, the Board of Statutory Auditors – or at least two of the Auditors – can call the meeting; they also have the right – following an advance notice of at least ten days – to call a meeting of the Board of Directors or the Executive Committee.

Those who are found to be incompatible according to the law and those who hold other administration and control positions, which together exceed the limits allowed for corporate duties as established by the Consob Issuer Regulation, cannot be appointed as Auditors, and if elected will be required to resign.

Upon the appointment of the auditors the shareholders determine their yearly salary. They are also entitled to be reimbursed for the expenses they incur in the performance of their duties.

The Statutory Auditors are appointed from lists according to the procedure described below, for the purpose of ensuring that the minority shareholder can appoint one Standing Auditor and one Alternate Auditor.

Candidate lists must have two sections - one for the appointment of the Standing Auditors and the other for the appointment of the alternate auditors - and contain a number of candidates not greater than the number of members to be elected, listed in numerical order.

Each of the two sections on the lists – with the exception of the lists with less than three candidates – must include at least one candidate of another gender.

Each candidate can only appear on one list, under penalty of being declared ineligible.

The shareholders entitled to submit a list are those who alone or together with other shareholders represent at least the percentage of ordinary share capital established by current regulatory provisions and stated in the meeting convocation notice.

The lists must be submitted at the registered offices of the company by the deadline specified in the regulations.

If by the deadline only one list has been submitted or only lists by shareholders who are affiliated to each other have been submitted, additional lists can be submitted up to the third day following this date, and the minimum shareholding percentage specified in the convocation notice will be reduced to half.

In order to submit a list, the ownership of the shareholding must be proven according to the procedures set forth in current regulations, provided that this is done by the date set for the publication of the lists by the company.

The lists can also be submitted via remote means of communication, according to the procedures stated in the convocation notice for the shareholders' meeting.

Together with each list, which must indicate the names of the shareholders, the following documents have to be submitted, under penalty of being disqualified:

- a statement from the shareholders, other than those who alone or jointly hold a controlling interest or relative majority, declaring that no relationships of affiliation exist between the former and the latter, as per art. 144-quinquies of the Consob Issuer Regulation;

- the statements in which each candidate accepts his/her candidacy, listing their personal and professional characteristics, certifying, under their own responsibility, the non-existence of reasons of ineligibility, disqualification and/or incompatibility, and the existence of the requirements of good standing and professionalism prescribed in current regulations, the requirements of independence as required by law (art. 148, paragraph 3 of the Consolidated Law on Finance) as well as information on administrative and control positions the candidates hold in other companies.

Each shareholder may submit one list; failure to do so will result in none of the lists being accepted.

Each shareholder has the right to vote for only one list.

The elected Standing Auditors will be the first two candidates on the list which obtains the highest number of votes, and the first candidate on the list with the second highest number of votes; the latter will be the Chairman.

The elected Standing Auditors will be the first two candidates on the list which obtains the highest number of votes, and the first candidate on the list with the second highest number of votes.

If the above-mentioned procedure does not comply with the law on gender balance, instead of electing the last candidate of the gender that is superior in number on the list of the majority shareholder, the elected candidate will be the next one on the same list, of the gender that is inferior in number.

In case of death, waiver or disqualification of a Standing Auditor, he/she will be replaced by the first candidate on the same list as the Auditor to be replaced, unless another alternate auditor has to be selected from the same list for the purpose of balancing the genders.

If the gender quota is still not filled, a meeting of the shareholders must be called as soon as possible to ensure that the composition of the Board of Statutory Auditors complies with the law on gender balance.

If only one or no list is submitted, and for the purpose of appointing the required Standing and Alternate Auditors for the Board of Statutory Auditors, the shareholders will decide by relative majority in observance of current regulations on gender balance.

If two or more lists submitted by the majority shareholder receive the same number of votes, the candidates on the majority list submitted by the shareholders with the largest shareholding will be elected.

If two or more lists – other than the one which received the highest number of votes - receive the same number of votes, the youngest candidates on the minority lists will be elected until all the positions to be assigned have been filled.

If only one list is submitted all the Auditors will be elected from this list.

The outgoing Auditors can be re-elected.

The board of Statutory Auditors meets at least every 90 days, even in audio or videoconference, provided that all the participants can be identified and are able to follow the discussion, examine, receive and send documents and take part in real time in the discussion of the matters at hand.

The venue for the meeting of the Board of Statutory Auditors is considered to be wherever the Chairman of the board of Statutory Auditors is.

For further details on the appointment procedure please refer to the by-laws.

13. Composition and Operation of the Board of Statutory Auditors

The Board of Statutory Auditors - made up of three Standing Auditors and three Alternate Auditors – was appointed by the shareholders on October 26, 2018, taking into account the provisions of Law 120 of July

12, 2011, on gender balance; the three-year term will expire at the meeting called to approve the financial statements for the year ended June 30, 2021.

The Board of Statutory Auditors in office at year end is made up of the following members: Davide Barbieri, Chairman, Vincenza Bellettini and Gaetano Terrin, as Standing Auditors; Giuliano Ravasio, Marina Barbieri and Emanuela Rollino, as Alternate Auditors.

The Board of Statutory Auditors was appointed according to current regulations and the by-laws, based on two lists, one submitted by the majority shareholder Sind International S.p.A. and the other by a group of minority shareholders (Anima Star Italia Alto Potenziale, Arca Economia Reale Bilancio 30, Eurizon Progetto Italia 20, Eurizon PIR Italia 30, Eurizon Progetto Italia 70, Eurizon PIR Italia Azioni, Eurizon Azioni PMI Italia, Eurizon Progetto Italia 40, Eurizon Fund - Equity Small Mid Cap Italy, Fideuram Asset Management (Ireland) - Fonditalia Equity Italy, Fideuram Italia, Fideuram Azioni Italia, Piano Bilanciato Italia 50, Piano Bilanciato Italia 30, Interfund Sicav - Interfund Equity Italy, GIS European EQTY Recov, GSMART PIR Evoluz Italia, GSMART PIR Valore Italia, Mediolanum Flessibile Futuro Italia e Mediolanum Flessibile Sviluppo Italia).

The majority shareholder proposed the following list of candidates: Vincenza Bellettini, Gaetano Terrin and Giuseppe Alessio Verni as Standing Auditors, and Giuliano Ravasio, Marina Barbieri and Alessandro Gambi as Alternate Auditors, and was voted by 67.34% of those with voting rights; the minority shareholders submitted the following list of candidates: Davide Barbieri and Emanuela Rollino, which was voted by 9.64% of those with voting rights.

The Statutory Auditors possess the requirements of good standing and professionalism set forth in the applicable regulations and particularly in Decree 162 dated March 30, 2000, issued by the Ministry of Justice.

The Board of Statutory Auditors ascertained the independence of its members during the first meeting held following the appointments; during the year it also made sure that these requirements were maintained.

Personal and Professional Characteristics of the Members of the Board of Statutory Auditors

Davide Barbieri, Chairman of the Board of Statutory Auditors

Born in Cremona on July 2, 1984.

Registered with the Association of Certified Public Accountants and the Association of Legal Auditors of Parma since 2012.

He works as a certified public accountant for a firm in Parma where he has gained experience in the field of business, corporate and tax consulting; assistance in major business transactions; tax disputes; assessment of companies, accounting and property appraisals with associated due diligence; financial statements and consolidated financial statements; annual statements; tax audits and tax planning; corporate finance; financial planning and assistance including credit search for businesses; international fiscal planning and contractual consulting.

He holds the positions of standing and alternate on Boards of Statutory Auditors of corporations.

Gaetano Terrin, Standing Auditor

Born in Padua on July 16, 1960.

University Degree in Business Economics from the University of Ca' Foscari in Venice in 1985.

Appointed Official Financial Auditor as per Ministerial Decree dated April 24, 1992.

Registered with the Association of Financial Auditors as per Ministerial Decree dated April 12, 1995.

Since 1988, a close collaborator of Giulio Tremonti, and head of the firm Tremonti e Associati of Padua until 1998.

Partner in a primary international auditing firm from 1998 to 2003.

He is self-employed as a tax and corporate consultant.

He has contributed to tax and corporate magazines as a freelance journalist.

He holds and has held the position of Standing Auditor and Chairman on Boards of Statutory Auditors in large insurance, industrial and financial companies, some of which are listed on the stock exchange.

Vincenza Bellettini, Standing Auditor

Born in Fanano (MO) on March 31, 1954.

Degree in Economics and Business from the Università degli Studi of Bologna in 1978.

Registered with the Association of Certified Public Accountants of Bologna since 1979.

Registered with the Association of Financial Auditors with the Ministry of Justice, as per Ministerial Decree dated April 12, 1995, G.U. n. 31 bis, April 21, 1995.

Pro tempore President of the Foundation of Certified Public Accountants of Bologna.

She is a practicing Certified Public Accountant in Bologna, with the firm "Studio di consulenza commerciale e tributaria, Dottori Commercialisti Associati".

Specialized in business, corporate and fiscal consulting as well as auditing.

She has held and holds the positions of standing auditor and Chairman on Boards of Statutory Auditors of companies of various sizes, including in the banking sector.

She has held the position of trustee in bankruptcy.

She currently holds the position of standing auditor in a bank and other industrial companies.

Giuliano Ravasio, Alternate Auditor

Born in Carrara (MS) on January 31, 1951.

Certified Public Accountant

Registered with the Association of Certified Public Accountants since 1983.

Registered with the Association of Official Accounting Auditors since 1987, then with the Association of Financial Auditors since 1995.

Since 1993, registered on the List of Experts for Inspections of trust and auditing companies.

On the list of "Corce" experts (Master's Degree in International Marketing) with the Ministry of Foreign Trade.

Member of a tax court of second instance (1978-1996).

Member of the Board of his professional order (1995-2007).

Owner of a certified public accounting firm specialized in business consultancy.

Speaker for ODCEC training courses – Digital preservation according to law – E-invoicing

Holds the position of director and standing auditor in various companies.

University professor of marketing and business administration (1975-1977).

Teacher of FSE training courses.

Member of the CNDCEC digital signature task force 2017

Marina Barbieri, Alternate Auditor

Born in Cittadella (PD) on October 17, 1976.

Degree in Business Economics from the Cà Foscari University in Venice in 2000.

She is registered with the Association of Certified Public Accountants of Turin and with the Association of Legal Auditors.

She has been an associate in the firm Terrin e Associati since 2007.

She does tax and corporate consulting; assistance in ordinary business life for extraordinary transactions and tax disputes.

She holds positions on the boards of statutory auditors in companies belonging to industrial groups.

Emanuela Rollino, Alternate Auditor

Born in Genoa on October 27, 1978.

Degree in Business Economics and Legislation from the L. Bocconi university of Milan.

Registered with the Association of Certified Public Accountants of Milan and the Association of Legal Auditors since 2007.

She assists national and international clients in various sectors, specializing in corporate taxation; consulting on corporate matters and on the types of taxes applied to extraordinary transactions, including tax due diligence.

She has gained specific knowledge concerning tax disputes and their reduction: assistance in all phases of discussions with the tax authorities, also on tax audits by the revenue department and the Financial Police, as well as in all stages of the tax dispute and conciliation proceedings.

The Board of Statutory Auditors meets more frequently than every 90 days as required by law. During the reference year the Board met 13 times. The average duration of the meetings was about three hours.

If an Auditor is interested in a particular corporate transaction for himself or for third parties, he must promptly provide the other Auditors and the Chairman of the Board of Directors with exhaustive information as to the type, terms, origin and scope of his interest.

The Board of Statutory Auditors also monitored the independence of the auditing company, ensuring that it complies with the applicable regulations, in terms of both type and extent of the services other than auditing services rendered for the company or its subsidiaries by the same auditing company and the entities belonging to its network.

14. Relations with Shareholders

On its website www.Danieli.com, the company has set up an *INVESTORS* section, where company-related information can be found that is significant for their shareholders, so that they can exercise their rights in an informed manner.

Alessandro Brussi is the officer in charge of relations with shareholders, with the assistance of the Department of Corporate Affairs. The company ensures that information important to shareholders is promptly updated on its website.

15. Shareholders' Meetings (as per. Art. 123-bis, paragraph 2, letter c) of the Consolidated Law on Finance)

No additional operating mechanisms have been contemplated for the shareholders' meetings, other than those additionally provided for in the applicable legislative provisions and regulations.

As for the powers of the shareholders, the corporate by-laws state that the Board of Directors has the authority to make decisions – pursuant to art. 2436 of the Civil Code – on proposals relating to:

- mergers in the cases specified in articles 2505 and 2505 bis of the Civil Code,
- setting up or shutting down secondary offices;
- reduction of capital in the case of withdrawal of a partner;
- changes to the by-laws in observance of regulatory provisions;
- national transfer of company headquarters;
- bond issue, with the exception of bonds that can be converted into company shares (which remains the responsibility of the shareholders).

The company has adopted shareholders' meeting regulations, which govern the running of the meetings and are an integral part of the by-laws; these regulations are available on the company's website www.Danieli.com in the Investors section.

These regulations set out the conditions which during the meetings guarantee the right of each shareholder to take the floor on each of the matters on the agenda, to make observations and come up with proposals.

Those who intend to take the floor must submit a written request to the Chairman indicating the matter they wish to discuss; requests can be submitted after the items on the agenda have been read out and until the Chairman declares the discussion on the matter closed.

The Chairman - and on his request - those who assist him, reply to the speakers after each one has spoken, or once they have all spoken.

Depending on the subject-matter and importance of each item on the agenda, the Chairman decides how much time – usually not less than ten minutes and not more than twenty – each speaker has to state his/her case. After this period, the Chairman may grant the speaker another 5 minutes.

Those who have already taken part in the discussion may request the floor a second time to discuss the same subject-matter, usually for five minutes, and to declare how they intend to vote.

The by-laws do not provide for voting by correspondence or by audiovisual means.

During the meeting, the board reports on both performed and scheduled activities, ensuring that the shareholders have the necessary information to make decisions with full knowledge of the facts.

16. Other Corporate Governance Practices

On April 1, 2006, the Board of Directors adopted its own Code of Conduct on Internal Dealing, initially for the purposes set forth in art. 114 of the Consolidated Law on Finance, transposing CONSOB resolution 15233 dated November 29, 2005, to regulate transactions involving the purchase, sale, subscription or swap of Danieli shares or their financial instruments, carried out by Relevant Persons and by Persons closely associated with them.

The provisions on this matter issued by Consob with resolution 18079 dated January 20, 2012, were then transposed into this document.

With the entering into force on July 3, 2016, of regulation 596/2014 dated April 16, 2014 (MAR regulation) throughout the European Union, issued by the European Parliament and the Council of the European Union, the code was revised according to art. 19 of the Market Abuse Regulation and the Delegated Regulations.

The Code is available on the company's website www.Danieli.com, in the "Investors" section.

17. Changes since the end of the reference year

Note that the board of directors that met on September 24, 2020, co-opted Antonello Mordegli as a board member, and the confirmation of his appointment will be proposed at the next shareholders' meeting.

In this regard, please refer to the Explanatory Directors' report "Proposed appointment of a director after confirming the number of members" published for the next meeting convocation.

The *curriculum vitae* of the afore-mentioned Antonello Mordegli is available on the company's web site www.danieli.com, in the section *Investors/Communication/Corporate Documents*.

September 24, 2020

DANIELI & C. OFFICINE MECCANICHE S.P.A.

TABLE 1: INFORMATION ON OWNERSHIP STRUCTURE

Fully-paid share capital of euro 81,304,566				
	Number of shares	% of share capital	Listed	Rights and obligations
Ordinary shares	40,879,533	50.28%	Milan	Voting rights
Non-convertible savings shares (without voting rights)	40,425,033	49.72%	Milan	Without voting rights, but preferred as regards profit distribution and capital repayment.

Significant Shareholdings (art. 120 Financial Consolidation Act)			
Declarant	Direct Shareholder	% of Ordinary Capital	% of Voting Capital
Sind International S.p.A., Milan (*)	Sind International S.p.A., Milan	67.175%	67.175%
Danieli & C. Officine Meccaniche S.p.A. (own shares without voting rights)	Danieli & C. Officine Meccaniche S.p.A. Buttrio (UD)	7.24%	7.24%
Santalucia Seguros S.A. Compañía de Seguros y Reaseguros (**)	Santalucia Vida y Pensiones S.A. Compañía de Seguros y Reaseguros (0.40%); Unicorp Vida Compañía de Seguros y Reaseguros (0.61%); Caja España Vida (0.46%); Santalucia Asset Management SGIIC S.A. (1.54%)	3.01%	3.01%

(*) Company controlled jointly by Gianpietro Benedetti, on one side, and by Giacomo Mareschi Danieli, Anna Mareschi Danieli and Michele Mareschi Danieli on the other.

(**) Information given to the Company pursuant to art. 120 of Legislative Decree 58/1998 dated 5.02.2019.

TABLE 2: STRUCTURE OF THE BOARD OF DIRECTORS AND THE COMMITTEES

BOARD OF DIRECTORS													EXECUTIVE COMMITTEE	
<i>Position held</i>	<i>Members</i>	<i>Year of Birth</i>	<i>Date of first appointment</i>	<i>In office since</i>	<i>In office until meeting to approve financial statements</i>	<i>List (*)</i>	<i>Exec..</i>	<i>Non-exec. exec..</i>	<i>Indep: Code</i>	<i>Indep: TUF</i>	<i>Other appointments</i>	<i>(**)</i>	<i>(***)</i>	<i>(****)</i>
Chairman and CEO (●◇)	Benedetti Gianpietro	1942	5.10.1985	26.10.2018	30.6.2021	M	X				2	3/5	1/1	P.
Deputy Chairman	Benedetti Camilla	1980	26.10.2015	26.10.2018	30.6.2021	M	X				6	5/5		
Deputy Chairman	Brussi Alessandro	1961	26.10.2015	26.10.2018	30.6.2021	M	X				15	5/5	1/1	M
Chief Executive Officer	Mareschi Danieli Giacomo	1980	28.10.2009	26.10.2018	30.6.2021	M	X				4	5/5	1/1	M
Director	Giulio Capocaccia	1965	26.10.2018	26.10.2018	30.6.2021	m		X		X	-	5/5		
Director	de Colle Carla	1943	12.11.1999	26.10.2018	30.6.2021	M		X			2	3/5		
Director	Mio Chiara	1964	26.10.2015	26.10.2018	30.6.2021	M		X		X	9	4/5		
Number of meetings held during the year in question:	Board of Directors: 5			Executive Committee: 1										

(●) Officer in charge of the internal control and risk management system.

(◇) In charge of managing the Issuer.

(*) List from which each director was taken (M= majority list; m=minority list)

(**) Attendance of directors at the meetings of the board of directors and committees.

(***) Title of the director on the Committee (“P” = President; “M” = member)

Quorum needed for the minority shareholders to submit lists for the election of one or more members (as per art.147-ter TUF): 2.5%

The company has decided to set up an equivalent internal control (as provided for in the applicable regulations) to replace the Committee for Transactions with Related Parties, considering that there are not enough independent directors, as already mentioned.

TABLE 3: STRUCTURE OF THE BOARD OF LEGAL AUDITORS

Position held	Members	Year of birth	Date of first appointment	In office since	In office until meeting to approve financial statements	List	Indep. as per self-regulatory code	Attendance at board meetings	Number of other positions held in listed companies
Chairman	Davide Barbieri	1984	26.10.2018	26.10.2018	30.6.2021	m		13/13	-
Standing auditor	Terrin Gaetano	1960	27.10.2006	26.10.2018	30.6.2021	M		13/13	-
Standing auditor	Bellettini Vincenza	1954	25.10.2012*	26.10.2018	30.6.2021	M		12/13	-
Alternate auditor	Ravasio Giuliano	1951	24.05.1990	26.10.2018	30.6.2021	M		/	-
Alternate auditor	Barbieri Marina	1976	26.10.2018	26.10.2018	30.6.2021	M		/	-
Alternate auditor	Rollino Emanuela	1978	26.10.2018	26.10.2018	30.6.2021	m		/	-
Number of meetings held during the year in question: 13									
Quorum needed for the minority shareholders to submit lists for the election of one or more members (as per art.148 TUF): 2.5%									

(*) In 2012 Ms. Bellettini was appointed alternate auditor, since 2015 she has been a standing auditor.



Danieli & C. Officine Meccaniche S.p.A.
Via Nazionale, 41 – 33042 Buttrio (UD)

Fully paid-up share capital of euro 81,304,566

Tax number, VAT registration number and registration number with the Register of Companies of Udine: 00167460302

REA (Index of Economic and Administrative Information): 84904 UD

Tel. +39 0432 1958111 - Fax +39 0432 1958289

www.Danieli.com

info@Danieli.com

Relations with institutional investors and financial analysts:

fax +39 0432 1958863

e-mail: investors@Danieli.it

Financial statements and publications are available
at the company's headquarters
on the authorized storage mechanism "eMarket STORAGE"
www.emarketstorage.com

this document is available on the Company's website www.Danieli.com, "Investors" section.

This is an English courtesy translation of the original documentation prepared in Italian language.