

## ORDINARY SHAREHOLDERS' MEETING

### DIRECTORS' REPORT

#### 2) Integration of the Board of Statutory Auditors: relevant and consequent resolutions.

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Dear Shareholders,

the current Board of Statutory Auditors of ASTM S.p.A. ("ASTM") currently was appointed by the Ordinary Shareholder's Meeting held on 28 April 2017, to stay in office for fiscal years 2017 – 2018 - 2019, until the Shareholder's Meeting called for the approval of financial statements as at 31 December 2019.

Pursuant to art. 26 of the Articles of Association, the Board of Statutory Auditors of ASTM shall be composed by three acting statutory auditors and three alternate statutory auditors.

Pursuant to article 2401 of the Civil Code and art. 27 of the Articles of Associations, alternate statutory auditor Massimo Berni replaced the acting statutory auditor Ernesto Ramojno, following his resignations on 24 October 2019.

Considered that, according to article 2301 of the Civil Code, statutory auditors replacing resigning statutory auditors shall stay in office until the subsequent shareholder's meeting, you are invited to integrate the Board of Statutory Auditors appointing an acting statutory auditor, whose office shall expire with the remaining statutory auditors in office and a new alternate statutory auditor.

In the view of the inapplicability of the statutory list voting mechanism prescribed appointment of the entire Board of Statutory Auditors, the Shareholder's Meeting shall be called, pursuant to art. 27 of the Articles of Association, to resolve with legal majorities on the candidacies submitted by the Shareholders, upon appointment of an acting statutory auditors and an alternate statutory auditor.

Each candidate shall possess independence, honorability and professionalism requirements set forth by the applicable regulations, as well as by the Articles of Association.

The candidacies may be submitted by those shareholder's entitled to attend the Shareholders' Meeting and shall be accompanied by documents and information prescribed by the Articles of Associations and current legislation.

Such proposals shall be provided along with *(i)* information pertaining to the identity of the shareholders submitting the candidacy, with indication of the overall percentage held; *(ii)* curriculum vitae outlining the personal and professional profile of each candidate; *(iii)* statements by which the candidates accept their candidacy and attest, under their personal responsibility, that there are no ineligibility and incompatibility causes and that they possess the requisites for the office prescribed by current legislation and regulations; as well as *(iv)* the list of offices of administration and control possibly held by the candidates in other companies, pursuant to art. 2400 of the Civil Code.

To this regard, please consider that are not eligible for the office of Statutory Auditor those candidates vested with the office of Acting Statutory Auditors in five issuers companies or holding a number of offices exceeding in aggregate the limits set forth by applicable regulations (article 144-terdecies of Consob Regulation Nr. 11971/99).

In relation to the above, you shall be called to resolve upon the integration of the Board of Statutory Auditors, voting on the candidacies submitted in compliance with the above, for the appointment of an Acting Statutory Auditors and the appointment of an Alternate Statutory Auditor.

The Board of Statutory Auditors integrated as above, shall be entitled to receive remunerations provided by the resolutions of the Shareholder's Meeting held on 28 April 2017 and shall stay in office until the Shareholder's Meeting to be called for the approval of the financial statements as at 31 December 2019.