

PLAN FOR MERGER BY INCORPORATION
OF
SOCIETÀ INIZIATIVE AUTOSTRADALI E SERVIZI S.P.A.
INTO
ASTM S.P.A.
(PURSUANT TO ARTICLE 2501-TER OF THE ITALIAN CIVIL CODE)

13 June 2019

ASTM S.p.A.

Registered office: Corso Regina Margherita No. 165 – Turin
Share Capital Euro 49,499,300.00 fully paid-in
Registered in the Companies' Register of Turin
Tax Identification and VAT code 00488270018

Società Iniziative Autostradali e Servizi S.p.A.

Registered office: Via Bonzanigo No. 22 – Turin
Share Capital Euro 113,771,078.00 fully paid in
Registered in the Companies' Register of Turin
Tax Identification and VAT code 08381620015

This is an English courtesy translation of the original document prepared in Italian language. In the event of inconsistencies, the original Italian version of the Merger Plan shall prevail over this English courtesy translation.

The Boards of Directors of ASTM S.p.A. (“**ASTM**” or the “**Surviving Company**”) and Società Iniziative Autostradali e Servizi S.p.A. (“**SIAS**” or the “**Merging Company**” and, jointly with ASTM, the “**Companies Taking Part in the Merger**” or the “**Companies**”) have prepared, pursuant to Article 2501-ter of the Italian Civil Code, this merger plan (the “**Merger Plan**”) for the merger of SIAS into ASTM (the “**Merger**”).

RECITALS

- A. ASTM is a holding company listed on the *Mercato Telematico Azionario* (MTA – Italian Stock Exchange) organised and managed by Borsa Italiana S.p.A. It is active, both directly and through its subsidiaries, in the construction and management of motorways under concession, the engineering and construction of large infrastructure projects, and transport technologies.
- B. SIAS is a holding company listed on the *Mercato Telematico Azionario* (MTA – Italian Stock Exchange) organised and managed by Borsa Italiana S.p.A. It is active, through its subsidiaries, in the management of motorways under concession and transport technologies.
- C. The Merger is part of a project to streamline the group headed by Nuova Argo Finanziaria S.p.A. (“**Nuova Argo**”) and to which ASTM and SIAS belong (the “**Group**”), in order to simplify the ownership structure of the Group. In particular, the Merger is aimed at realising the following primary objectives, in the interest of both of the Companies: (i) establishing a listed industrial holding which, operating as a “One Company” listed on the stock market, will be able to express specific capabilities in motorways’ concessions, construction, engineering and technological innovation; (ii) shortening the chain of control with respect to operating companies, according to national and international standard practice to simplify the group’s corporate structure, with positive effects on the access to cash flow and consequently to the capital markets; (iii) creating a new industrial group able to grow in an efficient and competitive manner on domestic and foreign markets, including by resorting to the market through capital strengthening transactions in the light of the new strategic plan to be submitted to the Board of Directors following the Merger; (iv) promoting the creation of a listed issuer that, for its size and liquidity, may become one of the major companies in the Italian stock market; and (v) streamlining the company structure and consequently cutting down holding costs and further strengthening the industrial synergies and improving operating results.
- D. Due to the structure of the transaction and the parties involved, the Merger can be qualified as a “transaction of greater importance with related parties” pursuant to Article 3 of the Related Parties Regulation adopted by CONSOB with Resolution No. 17221 of 12 March 2010, as subsequently amended and supplemented, and “Annex 3” thereto.
- E. After receiving approval by their own Related Parties Transactions Committees, today the Boards of Directors of ASTM and SIAS approved this Merger Plan to the extent of their own competence, and they also resolved to submit the approval of the Merger Plan to their individual extraordinary shareholders’ meetings, with the clarification that the notices of call for both of those extraordinary shareholders’ meetings specifically require that the Boards of Directors of ASTM and SIAS, as applicable, (i) shall revoke the call for their own shareholders’ meetings with reference to the agenda item concerning approval of the Merger Plan and related resolutions or (ii) shall convene their own shareholders’ meetings to resolve on revocation of the shareholders’ meeting resolution approving the Merger Plan and related resolutions if even just one of the conditions subsequent indicated in Paragraph 9 occurs (or, where applicable, is not waived) or even just one of the conditions precedent indicated in Paragraph 9 does not occur (or, where applicable, is not waived).

- F. As of the date hereof, the Board of Directors of ASTM approved the decision to launch a voluntary partial public tender offer (the “**VTO**”) pursuant to Article 102 of Legislative Decree No. 58 of 24 February 1998 (the “**CLF**”), on no. 11,377,108 shares of SIAS, equal to 5.00% of the share capital of the Merging Company. The completion of the VTO shall be subject, *inter alia*, to the condition, which can be waived by the offeror, that ASTM will hold directly, as consequence of the VTO or any purchases made outside of the VTO pursuant to applicable law, a total shareholding of at least 151,755,294 SIAS shares, representing 66.693% of the share capital of SIAS (the “**Shareholding**”). Please note that, in order to ensure that ASTM obtains the Shareholding, Aurelia S.r.l. will have the right to contribute to the VTO and/or transfer to ASTM, outside of it, up to 4,277,108 SIAS shares, equal to 1.880% of SIAS share capital, at a per-share price equal to the consideration offered by ASTM in the context of the VTO.
- G. As indicated hereinabove, ASTM and SIAS signed a framework agreement after approval of the Merger Plan. The purpose of the framework agreement is to govern the preliminary and/or required activity for the realization of the aforementioned streamlining transaction, as well as the related timing, the interim management of the Companies, and the terms and conditions of execution of the transaction (the “**Framework Agreement**”).

1. PARTICIPATING COMPANIES

1.1 *Surviving Company*

ASTM S.p.A., with registered office in Turin at Corso Regina Margherita No. 165, Turin Companies’ Register, Tax Identification and VAT code 00488270018, fully paid-in share capital equal to Euro 49,499,300.00 at the date of approval of this Merger Plan, and divided into 98,998,600 ordinary shares without indication of par value. ASTM is subject to the management and coordination activity of Nuova Argo.

According to the last communications of significant shareholdings made pursuant to applicable laws and regulations, the share capital of ASTM is divided as illustrated below:

- (i) no. 58,179,722 shares, representing 58.768% of the share capital of ASTM, are held directly and indirectly by Nuova Argo;
- (ii) no. 7,631,328 shares, representing 7.709% of the share capital of ASTM, are held directly by ASTM, and 21,500 shares, representing 0.022% of the share capital of ASTM, are held by the jointly controlled company Ativa S.p.A. Therefore, ASTM directly and indirectly owns a total of no. 7,652,828 own shares, representing as a whole 7.730% of the share capital of the Company.

The Shares of ASTM are traded on the *Mercato Telematico Azionario* (MTA – Italian Stock Exchange), organised and managed by Borsa Italiana S.p.A., and are subject to dematerialisation of stock regime and centralised management system of Monte Titoli S.p.A., pursuant to Articles 83-*bis* et seq. of the CLF.

1.2 *Merging Company*

Società Iniziative Autostradali e Servizi S.p.A., with registered office in Turin at Via Bonzanigo n. 22, Turin Companies’ Register number, Tax Identification and VAT code 08381620015, fully paid-in share capital equal to Euro 113,771,078.00 at the approval date of this Merger Plan, and divided into 227,542,156 ordinary shares with a par value of Euro 0.50 each. SIAS is subject to the management and coordination activity of Nuova Argo.

According to the last communications of significant shareholdings made pursuant to applicable laws and regulations, the share capital of SIAS is divided as described below:

- (i) no. 140,378,186 shares, representing 61.693% of the share capital of SIAS, are held directly by ASTM, and 3,908,016 shares, representing 1.717% of the share capital of SIAS, are indirectly held by ASTM through its wholly owned subsidiary SINA S.p.A.;
- (ii) no. 15,571,998 shares, representing 6.844% of the share capital of SIAS, are held directly by Aurelia S.r.l.;
- (iii) no. 1,506,477 shares, representing 0.662% of the share capital of SIAS, are held directly by Nuova Argo.

SIAS does not own treasury shares.

The shares of SIAS are traded on the *Mercato Telematico Azionario* (MTA – Italian Stock Exchange), organised and managed by Borsa Italiana S.p.A., and are subject to dematerialisation of stock regime and centralised management system of Monte Titoli S.p.A., pursuant to Articles 83-*bis* et seq. of the CLF.

2. ARTICLES OF ASSOCIATION OF THE SURVIVING COMPANY

As a consequence of the Merger, and starting from its effective date, the articles of association of the Surviving Company will contain, among other, the following amendments:

- (i) amendment of Article 3 of the Articles of Association (“*Purpose*”) in order to modify the corporate purpose of ASTM by including the corporate purpose of the Merging Company in it;
- (ii) amendment of Article 5 of the Articles of Association (“*Amount of Share Capital*”) to reflect the capital increase of ASTM in service of the Exchange Ratio (as defined below), as provided in Paragraph 4 hereunder;
- (iii) amendment of Article 16 of the Articles of Association (“*Board of Directors*”) in order to: (aa) ensure that at least one-third of the Board of Directors is composed of the least represented gender and thereby supersede the transitional provisions introduced by Law 120 of 12 July 2011 concerning gender equality, and (bb) provide that when an independent director no longer meets the independence requirements, such independent director shall not cease from its office if the Board still has the minimum number, under current law, of directors meeting the independence requirement;
- (iv) amendment of Article 19 of the Articles of Association (“*Board of Directors Meetings*”) to allow that, even in the absence of a formal call of meeting, the Board of Directors meeting is deemed duly constituted if all Directors in office and all Effective Statutory Auditors are present at the meeting;
- (v) amendment of Article 27 of the Articles of Association (“*Appointments*”) to ensure that at least one-third of the Board of Statutory Auditors is composed of the least represented gender and thereby supersede the transitional provisions introduced by Law 120 of 12 July 2011 concerning gender equality; and
- (vi) addition of a transitional clause pursuant to which the Merger will trigger the early termination of the Board of Directors of ASTM in office at the effective date of the Merger, to allow the new shareholder structure to determine the composition of the Board of Directors of the company resulting from the Merger. The Directors’ termination will be effective from the time the new Board of Directors is

appointed by the Shareholders' Meeting, which shall take its decision according to the voting slate mechanism and in compliance with the principle of necessary representation of minorities.

The text of the articles of association of the Surviving Company that will enter into force starting from the effective date of the Merger is attached to this Merger Plan as Annex A. However, the final indication of the amount of share capital contained in Article 5 of the articles of association of ASTM will be given in its final amount in the deed of Merger, once the exact amount of the Capital Increase has been defined.

3. EXCHANGE RATIO

The exchange ratio has been set forth by the Boards of Directors of the Participating Companies in the amount of No. 0.55 (zero point fifty-five) shares of ASTM, without indication of par value, for each share of SIAS having the par value of Euro 0.50 (the “**Exchange Ratio**”).

The Exchange Ratio is subject to no adjustment or cash payment.

The Merger will be resolved upon by using as reference balance sheets, pursuant to and for the purposes of Article 2501-*quater*, Paragraph 2, of the Italian Civil Code, (i) in the case of the Surviving Company: the financial statements as at 31 December 2018, approved by the ASTM shareholders' meeting on 16 May 2019, and (ii) in the case of the Merging Company: the financial statements as at 31 December 2018, approved by the shareholders' meeting of SIAS on 15 May 2019. These documents have been made available to the public in accordance with the terms and conditions set forth in the applicable law and regulations.

In order to determine the Exchange Ratio, the Boards of Directors of both Companies availed themselves of financial advisors with proven professional expertise.

It should be noted that after the approval of this Merger Plan, the Participating Companies will jointly submit to the Court of Turin a request for the appointment of a common expert engaged to issue the fairness opinion on the Exchange Ratio pursuant to and for purpose of Article 2501-*sexies* of the Italian Civil Code.

4. PROCEDURES FOR ASSIGNMENT OF THE SHARES OF THE SURVIVING COMPANY

The Merger will occur by: (i) cancellation without exchange of the SIAS ordinary shares which will be owned by ASTM at the effective date of the Merger and (ii) cancellation of the SIAS ordinary shares which will be owned by the SIAS shareholders other than ASTM at the effective date of the Merger and concurrent assignment to the latter, on the basis of the Exchange Ratio, of up to maximum of 47,940,183 (forty-seven million nine hundred forty thousand one hundred eighty-three) ordinary shares of ASTM in exchange.

To service the assignment of the exchanged ASTM ordinary shares, the Surviving Company will increase its share capital by the maximum of Euro 23,970,091.50 (twenty-three million nine hundred seventy thousand ninety-one and 50/100), through the issuance of a maximum of no. 47,940,183 (forty-seven million nine hundred forty thousand one hundred eighty-three) new ASTM ordinary shares without indication of par value. Such maximum amount of the capital increase has been determined assuming that on the effective date of the Merger, ASTM has not acquired, within the context of the VTO and/or outside it (and, therefore, the condition stated in Paragraph 9(iv) has been waived) any SIAS share and that ASTM holds the same stake in SIAS owned at the date of this document.

The newly issued shares of the Surviving Company to be assigned in exchange will be listed on the *Mercato Telematico Azionario* (MTA – Italian Stock Exchange), organised and managed by Borsa Italiana S.p.A., as the outstanding ASTM ordinary shares of the same and subject to dematerialisation of stock regime and centralized management by Monte Titoli S.p.A., pursuant to Articles 83-*bis* et seq. of the CLF.

A service will be made available to the shareholders of the Merging Company in order to allow for rounding to the immediately lower or higher number of shares due in accordance with the Exchange Ratio, without additional expenses, stamp duties or fees. Alternatively, different methods may be followed in order to ensure the overall successful outcome of the transaction.

The shares of the Surviving Company assigned to service the exchange shall be made available to the shareholders of the SIAS other than ASTM, according with the specific forms of the securities centralised at Monte Titoli S.p.A. on a dematerialised basis, starting from the effective date of the Merger, if such date is a trading day, or on the first following trading day.

The exchange transactions will be carried out through authorised intermediaries, without any cost, expense or fee charged to the shareholders of SIAS.

5. THE DATE FROM WHICH THE ASTM SHARES ASSIGNED IN EXCHANGE WILL PARTICIPATE IN THE PROFITS

The ASTM ordinary shares assigned in exchange will have regular entitlement and will grant their holders rights that are equivalent to those assigned, under law and the articles of association, to the other holders of ASTM ordinary shares outstanding at the time of the assignment.

6. DATE ON WHICH THE MERGER BECOMES EFFECTIVE

Subject to the non-occurrence of the conditions subsequent and the occurrence of the conditions precedent envisaged in Paragraph 9, the Merger will produce effects under civil law starting from the last of the registrations with the Companies' Register of Turin pursuant to Article 2504-*bis* of the Italian Civil Code, or from the later date that may be indicated in the Merger deed.

Beginning from the effective date of the Merger, the Surviving Company will take over with full rights to all the equity, assets and liabilities of the Merging Company and all of its reasons, actions and rights, and all obligations, commitments and duties of any kind pertaining to it, in accordance with the provisions of Article 2504-*bis*, paragraph 1, of the Italian Civil Code.

For accounting purposes, the transactions of the Merging Company will be accounted in the financial statements of the Surviving Company beginning as from 1 January of the financial year in which the Merger takes effect under civil law. The tax effects will also commence on that same date.

7. ANY TREATMENT RESERVED FOR PARTICULAR CATEGORIES OF SHAREHOLDERS AND HOLDERS OF SECURITIES OTHER THAN SHARES

There are no special categories of shareholders and holders of equity securities other than shares. Consequently, no special treatment is planned for any category of shareholders.

8. ANY SPECIAL ADVANTAGES THAT MAY BE PROPOSED IN FAVOUR OF DIRECTORS

No particular advantages are envisaged for the Directors of the Participating Companies.

9. CONDITIONS FOR THE COMPLETION AND ENFORCEABILITY OF THE MERGER

The completion of the Merger is subject to non-occurrence (or, where applicable, to the waiver) of the following conditions subsequent:

[English courtesy translation for convenience only]

- (i) the joint expert appointed pursuant to Article 2501-*sexies* of the Italian Civil Code issues a negative opinion regarding the fairness of the Exchange Ratio; or
- (ii) the Merger Plan is not approved by even just one of the shareholders' meetings of ASTM and SIAS within 28 February 2020; or
- (iii) the total outlay which ASTM would be obliged to make as a result of exercising of the Withdrawal Right (as defined below) exceeds Euro 50 million; or
- (iv) ASTM does not come to hold, due to the VTO or purchases made outside of the VTO in compliance with applicable law, the Shareholding by the day before the signing of the Merger deed; or
- (v) one of the Participating Companies in the Merger withdraws from the Framework Agreement due to the occurrence of a Major Prejudicial Event (as defined below); or
- (vi) the signing of the Merger deed does not take place by 31 May 2020.

Moreover, it is also envisaged that the signing of the Merger deed is subject on the occurrence (or, where permitted, the waiver), within 31 May 2020, of the following conditions:

- (a) when required the *pro tempore* applicable law, issuance of the opinion of equivalence or similar measure by CONSOB with reference to the information document relating to the Merger referred to in Article 1, Paragraph 5, let. f), of Regulation (EU) 2017/1129;
- (b) issuance by Borsa Italiana S.p.A. of the order of admission to trading on the *Mercato Telematico Azionario* (MTA – Italian Stock Exchange) of the ASTM shares issued to service the Merger;
- (c) issuance of the consent to the Merger by the counterparties of some contracts relating to bank loans agreements and hedging derivatives, to which the Participating Companies are party.

It is specified that (x) the conditions set out in this Paragraph 9, points (iv), (vi) and (c) may be waived by ASTM and SIAS only by prior written consent of both Companies and (y) the condition referred to in this Paragraph 9, point (iii) may be waived by ASTM. Any proposal to waive the condition indicated in the preceding Paragraph 9 (iii) and/or the condition indicated in the preceding Paragraph 9 (iv) will be notified in advance to Nuova Argo to ensure that the latter passes resolutions regarding its own support for the Transaction.

It should be noted that pursuant to the Framework Agreement, ASTM and SIAS are entitled to withdraw from such agreement if, in the period between the signing date of the Framework Agreement and the completion of the last registrations of the Merger deed envisaged in Article 2504 of the Italian Civil Code, any fact, event or circumstance occurs in connection with ASTM and/or SIAS outside the scope of control of both Companies, which has a material adverse and unforeseeable effect at the date of signing the framework agreement on the legal relations, on the economic, equity, financial position and/or earnings potential of one of the Companies and is capable to materially affect the valuations underpinning the determination of the Exchange Ratio (the “**Major Prejudicial Event**”).

For the sake of completeness, it should be noted that, for the sole purpose of ensuring that ASTM obtains the Shareholding, Aurelia S.r.l. will have the right to contribute to the VTO and/or transfer to ASTM, outside of the VTO, up to no. 4,277,108 SIAS shares, equal to 1.880% of the share capital of SIAS, at a per-share price equal to the consideration offered by ASTM in the context of the VTO.

If any of the aforementioned conditions subsequent occurs (or, where applicable, is not waived) or if any of the aforementioned conditions precedent does not occur (or, where applicable, is not waived), the Boards of Directors of ASTM and SIAS, as applicable, (i) shall revoke the call of their own shareholders' meetings with reference to the item on the agenda concerning the approval of the Merger Plan and resolutions related thereto or (ii) shall call their respective shareholders' meetings to pass a resolution revoking any shareholders' meeting resolution approving the Merger Plan and resolutions connected thereto.

10. WITHDRAWAL

Holders of ASTM ordinary shares who do not concur to the approval of the Merger Plan and, therefore, to the amendment of the corporate purpose of ASTM, will have the right of withdrawal pursuant to Article 2437, Paragraph 1, let. a), of the Italian Civil Code, due to the change in the clause of the corporate purpose of ASTM (the "**Withdrawal Right**").

The entitled shareholders may exercise the Withdrawal Right within 15 (fifteen) days following the registration with the Companies' Register of Turin of the resolution authorising them against the payment of the liquidation value of Euro 21.76 per each share of ASTM, as determined by the Board of Directors of ASTM today, with the favourable opinions issued by the Board of Statutory Auditors and the external auditor, in accordance with the provisions of Article 2437-*ter* of the Italian Civil Code, making exclusive reference to the arithmetic average of the closing prices on the Stock Exchange in the six months preceding the date of publication of the notice convening the extraordinary shareholders' meeting of the Surviving Company called to approve the Merger Plan.

The effectiveness of the Withdrawal Right is subject to the completion of the Merger and to the circumstance that the total outlay that ASTM would be required to make for any possible exercise of the Withdrawal Right does not exceed Euro 50 million.

Approval of the Merger resolution (if any) will not give rise to any right of withdrawal in favour of SIAS shareholders, since none of the conditions set out in Article 2437 of the Italian Civil Code or in other legal provisions are met.

Notices and any other information to the shareholders shall be given and made known pursuant to the applicable statutory and regulatory provisions.

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The documents required under Article 2501-*septies* of the Italian Civil Code shall be submitted according to the terms and conditions provided by applicable law and regulations.

The foregoing is subject to the changes, supplements and updates (including numerical changes) to the Merger Plan, as required or allowed by the legal framework and/or by the competent supervisory authorities or public authorities or the affected management companies of the regulated markets, or in the context of registration with the competent offices of the Companies Register or, finally, depending on the completion of the Merger, as structured in this Merger Plan.

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Turin,

13 June 2019

[English courtesy translation for convenience only]

ASTM S.p.A.

Chairman of the Board of Directors

Società Iniziative Autostradali e Servizi S.p.A.

Chairman of the Board of Directors

Gian Maria Gros-Pietro

Paolo Pierantoni

** * **

Annex "A": Articles of Association of ASTM resulting from the Merger.

THE ARTICLES OF ASSOCIATION HAVE BEEN TRANSLATED INTO ENGLISH SOLELY FOR THE CONVENIENCE OF THE INTERNATIONAL READER. IN THE EVENT OF CONFLICT OR INCONSISTENCY BETWEEN THE TERMS USED IN THE ITALIAN VERSION OF THE DOCUMENT AND THE ENGLISH VERSION, THE ITALIAN VERSION SHALL PREVAIL, AS THE ITALIAN VERSION CONSTITUTES THE OFFICIAL

ARTICLES OF ASSOCIATION

Title I

INCORPORATION OF THE COMPANY

Article 1 – Corporate Name.

A joint stock company has been incorporated under the name of “ASTM S.p.A.”.

Article 2 – Registered Office.

The company’s registered office shall be in Turin.

By resolution of the Board of Directors secondary establishments, head offices, branches, agencies and representative offices may be set up, modified or closed down.

The Board of Directors shall also have the power to relocate the address of the company’s registered office, provided it remains within the territory of the same municipality.

Article 3 - Purpose.

The company’s purpose shall be the following:

- acquisition of equity investments in joint-stock companies;
- financial activity in general, with the exclusion of movable and immovable property leasing, factoring, foreign exchange brokerage, services involving collection, payment and transfer of funds including through the issue of credit cards, provision of consumer credit even to Shareholders;
- own account administration and management of typical and atypical securities;
- provision of administration, accounting and technical services in general and commercial and advertising consulting;
- provision of endorsement, sureties and guarantees, including collateral security, in the interest of investee companies or entities;
- purchase and sale and administration of movable and immovable property.

It may also carry out commercial, industrial, security, real estate and financial transactions, functionally

linked to the aforesaid corporate purpose, excluding only those activities expressly reserved by law for special categories of persons and those activities pertaining to matters regulated by special laws governing:

- collection of savings from third parties (Legislative Decree no. 385 of 1 September 1993);
- insurance and re-insurance business (Presidential Decree no. 449 of 13 February 1959);
- activity of trust and auditing companies (Law no. 1966 of 23 November 1939);
- activity concerning mutual investment funds (Article 12 Law no. 77 of 23 March 1983);
- activities for the exercise of which enrolment in a professional register is required (Law no. 1815 of 23 November 1939);
- Activities of stock brokerage companies (Law no. 1 of 2 January 1991).

The company may not perform financial activities for the benefit of the public.

Article 4 - Duration.

The duration of the company shall be established as up to 31 (thirty-first) December 2050 (two thousand and fifty) and may be extended by resolution of the Shareholders' Meeting, with exclusion of the right of withdrawal for shareholders who did not contribute to approval of the resolution.

Title II

SHARE CAPITAL

SHARES - BONDS

Art. 5 – Amount of Capital.

The share capital shall be of Euro [●] ([●]) divided into [●] ([●]) shares without nominal value.

Article 6 - Shares.

Shares shall be registered when required by law. Otherwise if shares are fully paid-up they may be registered or bearer, as preferred by Shareholders and at their expense.

Article 7 – Reduction of Capital.

The shareholders' meeting may decide to reduce the share capital including through assignment of

certain corporate assets to individual Shareholders or groups of Shareholders.

Article 8 - Bonds.

The Company may issue bonds in accordance with legal terms and procedures.

Title III

SHAREHOLDERS' MEETINGS

Article 9 – Shareholders' Meetings

Duly convened and quorate Shareholders' Meetings shall represent all Shareholders and resolutions passed shall also be binding on absent or dissenting Shareholders, within the limits of the law and these Articles of Association.

The regulatory rules governing Shareholders' Meeting proceedings shall be approved and amended by the Ordinary Shareholders' Meeting.

Article 10 – Participation in Shareholders' Meetings.

Those for whom the Company has received, within the terms established by applicable legislation, a communication from the authorized intermediary certifying their standing, shall be entitled to participate and to vote in the Shareholders' Meeting.

The Chairman of the Shareholders' Meeting shall be responsible for verifying the right to participate and to vote in the Shareholders' Meeting.

Article 11 – Call to Meeting.

Shareholders' Meetings shall be called by the Board of Directors, or by one of its members delegated to do so, at the corporate office, or elsewhere, provided it is in Italy.

The Ordinary Shareholders' Meeting shall be called at least once a year within one hundred and twenty days of close of the financial year or, when legal conditions are met, within one hundred and eighty days of close of the financial year.

Shareholders' Meetings, whether ordinary or extraordinary, shall also be called whenever the Board of Directors deems necessary, and in the cases prescribed by law.

Ordinary and Extraordinary Shareholders' Meetings shall normally be held following a number of calls. When it deems necessary and providing express indication in the notice of call, the Board of Directors may establish that both the Ordinary and the Extraordinary Shareholders' Meetings are to be held following a single call.

Article 12 – Notice of Call.

The notice of call must indicate the day, time and venue of the meeting, the list of business to be discussed, and all the other information required by applicable legislation.

It must be published in accordance with legal terms and procedures.

Article 13 – Representation in Shareholders' Meetings.

Those who are entitled to vote may be represented in Shareholders' Meetings by written proxy or by proxy assigned electronically, pursuant to applicable legislation.

The Chairman of the Shareholders' Meeting shall be responsible for verifying the regularity of proxies. Electronic notification of proxies must be provided by using the special section of the Company's website or the special email address, in accordance with the procedures indicated in the notice of call of the Shareholders' Meeting.

For each Shareholders' Meeting the Company may designate a person, indicated in the notice of call, to whom shareholders may assign, in accordance with the terms and procedures established by law and by regulatory provisions, a proxy with voting instructions on all or some of the proposals on the agenda. The proxy shall be effective only for the proposals for which voting instructions have been provided.

Article 14 – Meeting Quorum and Voting Quorum.

Shareholders' Meetings shall be convened and shall deliberate, both in ordinary and extraordinary session, with the majorities established by applicable legislation.

Appointments of the Board of Directors and of the Board of Statutory Auditors must be made in accordance with the provisions of Article 16 and Article 27 respectively of these Articles of Association.

Article 15 – Chairmanship of Shareholders' Meetings.

Shareholders' Meetings shall be chaired by the Chairman of the Board of Directors or, in the event of his absence or incapacity, by a Deputy Chairman, or in the absence of both, by another person designated by the Shareholders' Meeting.

With the approval of the Shareholders' Meeting, the Chairman shall designate the Secretary and, if he/she deems necessary, two scrutineers, choosing from among the participants with voting rights or their proxies.

The Chairman shall be responsible for governing the course of the discussion and establishing the voting method.

In the cases prescribed by law, or when the Chairman of the Shareholders' Meeting deems appropriate, the minutes shall be drawn up by a Notary Public designated by the Chairman, in which case appointment of a Secretary shall not be required.

Resolutions must be recorded in minutes signed by the Chairman and by Notary Public or by the Secretary.

Title IV

ADMINISTRATION AND REPRESENTATION

Article 16 – Board of Directors.

The Company shall be administered by a Board made up of a number of members ranging from seven to fifteen, as decided by the Shareholders' Meeting, and ensuring the presence of a number of independent directors and gender equality as provided by law and these articles of association.

The entire Board of Directors shall be appointed on the basis of lists submitted by Shareholders in which the candidates, listed by consecutive number, must meet the requirements of integrity established by applicable legislation.

The lists submitted by shareholders must be filed at the corporate office within the terms and according to the procedures established by applicable legislation.

Each shareholder may submit or contribute to the submission of one list only.

Each list must contain a number of candidates no higher than the maximum number of Directors stated in the first paragraph of this article and, when filed at the corporate office, must be accompanied by i) an information note concerning the candidates' personal and professional characteristics; ii) written acceptance of the nomination and declaration that they do not appear on other lists and iii) the further documentation prescribed by applicable legislation. Each list must include at least two candidates who meet the independence requirements provided by applicable legislation, indicating them separately and placing one of them at the top of the list. Lists containing a number of candidates equal to or higher than three must also include, as indicated in the notice of call, candidates of different gender, so as to ensure that at least one third of the members of the Board belongs to the less represented gender (or any higher quota established by legislation, where applicable, on gender equality) with rounding up, in case of a fractional number, to the next full unit.

Lists may only be submitted by shareholders who alone or together with other shareholders hold shares representing the shareholding established by applicable legislation. Ownership of the aforesaid shareholding must be proven according to the terms and procedures established by applicable legislation.

Lists that do not comply with the aforesaid provisions shall be considered as not submitted.

Each shareholder entitled to vote may vote for one list only.

Considering that lists do not obtain a percentage of votes equal, at least, to half of the percentage required under the articles of association or the law, in force from time to time, for the submission of the lists will not be considered for the purpose of appointment of new directors, the members of the Board of Directors shall be elected as follows:

- a) four fifths of the Directors to be elected, with round-down if the number is a fraction of a single unit, shall be taken, in the progressive order in which they are listed, from the list obtaining the highest number of votes cast by those entitled to vote;
- b) the remaining Directors shall be taken from the other lists. For this purpose, the votes obtained by said lists shall be subsequently divided by one, two, three, according to the number of Directors to be elected.

The quotients obtained in this way shall be progressively assigned to the candidates of each of said lists, in the order in which they appear on the lists. The quotients assigned in this way to the candidates of the various lists shall be placed in a single decreasing ranking and those obtaining the highest quotients shall be elected.

If several candidates obtain the same quotient, the candidate from the list which has not yet elected any Directors or which has elected the lowest number of Directors shall be elected. In the event of list votes being equal, and therefore quotients being equal, the Shareholders' Meeting shall vote once again and the candidate obtaining the simple majority of votes shall be elected.

If at the end of the procedure referred to in the previous paragraphs the composition of the Board of Directors does not allow compliance with gender equality criteria, the candidates that should be elected in the various lists shall be placed in a single decreasing ranking, formed according to the quotient system indicated in letter b) above. The candidate of the more represented gender with the lowest quotient of the candidates taken from all the lists shall be replaced, without prejudice to observance of the minimum number of independent directors, by the first non-elected candidate belonging to the less represented gender indicated in the same list as the replaced candidate.

If candidates from different lists have obtained the same quotient, the candidate of the list from which the highest number of directors has been taken shall be replaced.

If replacement of the candidate of the more represented gender with the lowest quotient in the ranking does not however allow to have one third of the members of the Board belonging to the less represented gender (or any higher quota established by legislation, where applicable, on gender equality), the above replacement operation shall also be carried out with regard to the candidate of the more represented gender with the penultimate quotient and so on, rising from the bottom of the ranking. In all cases in which the aforesaid procedure is not applicable, replacement shall be made by the Shareholders' Meeting with the legal majorities, in compliance with the principle of proportional representation of minorities within the Board of Directors.

If no lists are submitted or admitted or if, for any reason, the appointment of one or more Directors cannot occur according to the provisions of this article, the Shareholders' Meeting shall deliberate with the legal majorities, so as to ensure, pursuant to applicable regulations, the presence of the number of Directors meeting the independence requirements and compliance with the articles of association and/or rules in force from time to time on gender equality.

If during the year one or more Directors can no longer fulfil office the company shall act according to applicable provisions of the law, appointing, in consecutive order, candidates taken from the list to which the Director to be replaced belonged who are still eligible and willing to accept the office and in any case ensuring, pursuant to applicable regulations, the presence of the necessary number of independent directors and gender equality in accordance with the provisions of the articles of association and/or the rules in force from time to time.

When an independent director no longer meets the independence requirements, the independent director shall not cease from his/her office if a number of members who meet the independence requirement pursuant to current legislation remain in office on the Board of Directors.

If, owing to resignations or other causes, the majority of Directors appointed by the Shareholders' Meeting should be unable to fulfil office, the entire Board shall be considered to resign and its termination shall be effective from the time the Board of Directors is re-established following appointment by the Shareholders' Meeting, which must be called as soon as possible.

Directors shall remain in office for the time established by the Shareholders' Meeting and for no longer than three financial years and may be re-elected. Those appointed during this period shall expire along with those already in office at the time of their appointment.

The Shareholders' Meeting shall decide the annual fee due to the members of the Board of Directors. Said fee shall also be valid for the years following the one for which it was decided, until the Shareholders' Meeting decides otherwise.

Remuneration of directors entrusted with specific offices shall be determined on a time by time basis by

the Board of Directors, after having consulted the Board of Statutory Auditors, pursuant to Article 2389 of the Italian Civil Code.

Members of the Board of Directors shall be entitled to refund of the expenses incurred in performance of their office.

Article 17 – Corporate Offices.

If the Shareholders' Meeting has not already done so, the Board shall appoint a Chairman from among its members.

It may also appoint one or more Deputy Chairmen in addition to one or more Managing Directors assigning them the powers that it deems appropriate within the limits of the law.

Article 18 – Secretary of the Board.

The Board shall appoint a Secretary who need not be one of its members.

In the event of absence or incapacity the Secretary's duties shall be assigned to another person appointed on a time by time basis by the Chairman of each meeting.

Article 19 – Board Meetings.

The Board of Directors shall meet whenever the Chairman, or his deputy, deems necessary, or upon request from the majority of its members.

The meeting shall be called by invitation transmitted, by any means guaranteeing proof of receipt, to the domicile of each Director and Statutory Auditor at least three days prior to the date set for the meeting, excepting in urgent circumstances when one day's notice shall suffice.

Even in absence of formal call of meeting, the Board of Directors of the Company is deemed to be regularly constituted if all Directors in office and all Standing Auditors are present at the meeting.

Nevertheless, in this case each Director may object to discussion of the items on the agenda about which he/she does not consider himself/herself sufficiently informed.

Board meetings may even be held outside the corporate office.

It is possible for those participating in the Board meeting to attend at a distance through the use of

teleconference or televideo conference systems.

In this case:

- the following must be ensured:

1. the identification of all the participants in each connection point;
2. the possibility for each participant to intervene, to express his opinion orally, to view, receive or transmit all the documentation, as well as the simultaneous nature of examination and decision;

- the meeting of the Board of Directors shall be considered to have taken place at the venue at which both the Chairman and Secretary must be present at the same time.

Article 20 – Board Resolutions.

In order for Board resolutions to be valid, the presence of the majority of incumbent Directors shall be required. Resolutions shall be adopted by absolute majority of those present and, in the event of votes being equal, the person chairing the meeting shall have the casting vote.

Resolutions shall be recorded by minutes signed by the Chairman of the meeting and by the Secretary of the meeting.

Article 21 – Powers of the Board.

The Board shall be vested with the widest powers for the ordinary and extraordinary administration of the company.

It therefore has the power to perform all the acts, including acts of disposition, that it deems appropriate for pursuit of the corporate purpose, excluding only those that the law expressly reserves to the Shareholders' Meeting.

Furthermore the Board of Directors:

pursuant to Articles 2505 and 2505-bis of the Italian Civil Code may also deliberate the merger by incorporation of one or more companies of which it holds at least ninety percent of the shares or units making up the share capital;

- pursuant to Article 2365(2) of the Italian Civil Code, may deliberate adjustments of the Articles of

Association to comply with legislative provisions;

- pursuant to the procedure for transactions with related parties adopted by the Company: (a) may deliberate the execution of transactions with related parties of greater significance despite the opposition or without taking account of the findings of the Audit and Risks Committee, provided that authorisation has been issued by the Ordinary Shareholders' Meeting pursuant to Article 2364(1)(5) of the Italian Civil Code and in compliance with the provisions of the aforesaid procedure; (b) may deliberate, availing of the exemptions provided by the procedure, the execution by the Company, directly or through its subsidiaries, of transactions with related parties of an urgent nature that do not fall within the authority of the Shareholders' Meeting or do not need to be authorised by it.

The delegated bodies shall report, during meetings of the Board or of the Executive Committee or even directly, in good time and at least once a quarter, to the Board of Directors and to the Board of Statutory Auditors on the general management performance and on its foreseeable outlook and on the transactions of greater importance in economic and financial terms performed by the Company or by its subsidiaries and they shall specifically report on transactions where there is a potential conflict of interests.

The Board of Directors, subject to the mandatory opinion of the Board of Statutory Auditors, shall appoint and revoke the manager in charge of drawing up the corporate accounting documents determining his term of office.

The manager in charge of drawing up the corporate accounting documents must have gained at least three years' professional experience in an administrative and/or financial position within the Company, or within comparable companies in terms of size or organizational structure and must also meet the requirements of integrity required for the office of director.

Article 22 – Executive Committee.

The Board may appoint an Executive Committee, determining the number of members and delegating its own powers to it, excepting those that the law reserves to the Board itself. It may even entrust individual members with specific assignments and, as necessary, establish the amount of allowances to be

calculated in the general expenses, after having consulted the Board of Statutory Auditors.

The Chairman of the Board of Directors and, if appointed, the Deputy Chairmen and the Managing Directors shall be ex officio members of the Executive Committee.

The provisions set forth in Article 20 concerning the validity of resolutions and the voting procedures shall also apply to the Executive Committee.

Article 23 – General Directors.

In compliance with legal procedures, the Board may appoint one or more General Directors, establishing their powers, authorities and possibly their fees.

Article 24 – Corporate Representation.

Legal representation of the company before third parties and in court lies with the Chairman of the Board of Directors, and also, if appointed, with each of the Deputy Chairmen and the Managing Directors, within the scope of the powers entrusted to them by the Board of Directors.

Article 25 – Special Authorizations.

The statutory legal representatives may authorize the signing of documents with mechanical signature reproduction.

Title V

STATUTORY AUDITORS

Article 26 – Composition of the Board of Statutory Auditors.

The Board of Statutory Auditors shall be made up of three Standing Auditors and three Substitute Auditors.

Article 27 - Appointments.

Statutory Auditors shall be appointed for three financial years and, at the time of their appointment, the Shareholders' Meeting shall determine their fees for said period.

In order to ensure that the minority elects one Standing Auditor and one Substitute Auditor, the Board of Statutory Auditors shall be appointed on the basis of lists submitted by shareholders, in which the

candidates are listed and distinguished by a consecutive number.

Lists shall consist of two sections: one for candidates to the office of Standing Auditor, the other for candidates to the office of Substitute Auditor. The lists which, considering both sections, have a number of candidates equal to or higher than three must include candidates of different gender in the first two places both in the section relating to Standing Auditors and in the section relating to Substitute Auditors to ensure that at least one third of the members of the Board belong to the less represented gender (or any higher quota established by legislation, where applicable, on gender equality).

Lists may only be submitted by shareholders who alone or together with other shareholders hold shares representing the shareholding established by applicable legislation. Ownership of the aforesaid shareholding must be proven according to the terms and procedures established by applicable legislation. Each shareholder, and the shareholders belonging to the same group and those adhering to a shareholding agreement regarding Company shares, cannot submit or vote for more than one list, not even through a third party or trust company. Each candidate may only appear on one list, otherwise he/she shall be ineligible.

The lists cannot include candidates who do not meet the requirements of integrity and professionalism established by applicable legislation.

At least one of the Standing Auditors and at least one of the Substitute Auditors shall be chosen from among statutory auditors enrolled in the special register who have exercised legal auditing activity for no less than three years.

The Statutory Auditors who do not meet the aforesaid requirement shall be chosen from among those who have gained at least three years' experience in:

- a) administration or control activities or management duties in joint-stock companies which have a share capital of no less than two million euro; or
- b) professional activities or permanent university teaching posts in legal, economic, financial and technical-scientific subjects, in industrial, banking, transport services, logistics, technological and

computer sectors; or

c) senior management functions in public entities or public authorities operating in the credit, financial, insurance, industrial, transport services, logistics, technological and computer sectors.

Outgoing Statutory Auditors may be re-elected.

The lists submitted must be filed at the Company's head office within the terms and according to the procedures established by applicable legislation, mention of which shall be given in the notice of call.

Each list filed shall be accompanied by statements with which each candidate accepts his nomination and certifies, under his own responsibility, that there are no reasons for which he/she is ineligible or incompatible, that he/she meets the requisites prescribed by regulations and by the by-laws, and also by any further documentation required by applicable legislation.

Lists that do not comply with the aforesaid provisions shall be considered as not submitted.

Statutory Auditors shall be elected as follows:

1. two standing members and two substitute members shall be taken from the list obtaining the highest number of votes in the Shareholders' Meeting, according to the progressive order in which they are listed;
2. the other standing member and the other substitute member shall be taken from the second list obtaining the highest number of votes in the Shareholders' Meeting, according to the progressive order in which they are listed.

If two or more lists obtain equal votes, the most senior candidates in age shall be elected Statutory Auditors until the posts to be assigned have been filled.

The candidate taken from the second list obtaining the highest number of votes in the Shareholders' Meeting shall be entitled to Chairmanship of the Board of Statutory Auditors. If two or more lists obtain equal votes, the provisions of the above paragraph shall apply.

If application of the above procedure does not allow, for the Standing Auditors, compliance with the provisions of the articles of association and/or current legislation on gender equality, the quotient of

votes to be assigned to each candidate taken from the Standing Auditors sections of the various lists shall be calculated, by dividing the number of votes obtained by each list by the progressive number of each of said candidates. The candidate of the more represented gender with the lowest quotient of the candidates taken from all the lists shall be replaced by the candidate belonging to the less represented gender that may be indicated, with the next highest progressive number, in the same Standing Auditors section of the list of the replaced candidate or, alternatively, in the Substitute Auditors section of the same list of the replaced candidate (who in this case shall succeed to the position of the replacing substitute auditor). If candidates of different lists have obtained the same quotient, the candidate of the list from which the highest number of statutory auditors have been taken shall be replaced, or alternatively, the candidate from the list that obtained less votes. For the appointment of auditors who, for whatsoever reason, are not appointed according the procedures established above, the Shareholders' Meeting shall deliberate with the legal majorities and in compliance with the provisions of the articles of association and/or current gender equality legislation.

If a Statutory Auditor should lose the requirements established by regulations and by the by-laws, he/she shall fall from office.

In the case of replacement of a Statutory Auditor, he/she shall be succeeded by the substitute auditor belonging to the same list as the terminated auditor, in such a way as to comply with the provisions of the articles of association and/or current gender equality legislation for the composition of the board. If the aforesaid replacement does not allow compliance with the preceding provisions on gender equality, the Shareholders' Meeting must be called as soon as possible to ensure compliance with the articles of association and/or current legislation.

To reintegrate the Board of Statutory Auditors, following termination of one of its members for any reason, the Shareholders' Meeting shall deliberate by relative majority, ensuring in any case that the minority is represented in the Board as provided by the second paragraph and compliance with the articles of association and/or current gender equality legislation.

The Board may meet via video or teleconference, on condition that all participants can be identified and they can follow and participate in real time in the discussion of the matters being addressed. The meeting shall be considered held at the place where the Chairman and secretary are present.

Title VI

FINANCIAL STATEMENTS AND PROFIT SHARING

Article 28 – Financial Years.

The financial year shall close on 31 December of each year.

The Board of Directors shall draw up the annual financial statements according to law.

Article 29 – Profit Sharing.

From the profits arising from the financial statements approved by the Shareholders' Meeting, 5% shall be allocated to the legal reserve as provided by law.

The remaining sum shall be used for assignment of the dividend deliberated by the Shareholders' Meeting, and/or for other purposes that the Shareholders' Meeting shall deem appropriate.

Article 30 - Interim Dividend.

The Board shall have the power to decide, during the year, to pay an interim dividend for that year. The balance shall be paid at the time established by the Shareholders' Meeting when approving the financial statements.

Article 31 – Payment of Dividends.

Dividends shall be payable through the authorised intermediaries adhering to the central securities depository system pursuant to applicable legislation.

Dividends that are not claimed within 5 years of the day they become collectible shall revert to the Company.

Title VII

FINAL PROVISIONS

Article 32 – Territorial Jurisdiction.

The Company shall be subject to the ordinary and administrative judicial authority of the court of Turin.

Article 33 – Shareholders’ Domicile.

For the purpose of any corporate communication Shareholders shall be domiciled at the address stated in the Shareholders’ Register.

Article 34 - Liquidation.

In the event of wind-up, the company shall be liquidated according to the procedures established by law.

The liquidator or the liquidators shall be appointed according to law by the Shareholders’ Meeting, which shall determine their powers and fees.

Article 35 – Deferral to Provisions of the Law.

The provisions of the law shall apply to all issues that are not governed by these Articles of Association.

Article 36 – Transitional Clause.

When these articles of association come into force, the Directors in office at that time shall cease to their offices and they shall call the Shareholders’ Meeting without delay to appoint the new Board of Directors.

The termination of the Directors shall be effective from the time the new Board of Directors is appointed by the Shareholders’ Meeting in accordance with the procedures set out in these articles of association.