



SOCIETÀ INIZIATIVE AUTOSTRADALI E SERVIZI S.p.A.

Registered Office – Via Bonzanigo n. 22

Share capital € 113.751.021,50 fully paid-in

Tax Code, VAT number and registration number at the

Register of Companies of Turin: 08381620015

Website: www.grupposias.it

Management and coordination: Argo Finanziaria S.p.A. (single shareholder)

ORDINARY SHAREHOLDERS' MEETING

18 APRIL 2014 - H 11:00 SINGLE CALL

Explanatory Report of the Board of Directors

With regard to point 3 of the Agenda:

- 3. Appointment of the Board of Directors.**
 - 3.1 Determination of the number of members of the Board of Directors.**
 - 3.2 Determination of the term of office of the Board of Directors.**
 - 3.3 Appointment of the members of the Board of Directors.**
 - 3.4 Appointment of the Chairman of the Board of Directors.**
 - 3.5 Determination of the compensation of the members of the Board of Directors.**

Dear shareholders,

with the approval of the financial statement as at 31 December 2013 it expires the office of the Board of Directors appointed, for the financial years 2011-2012-2013, by the Ordinary Shareholders' Meeting of 27 April 2011. As a consequence, in the upcoming

Shareholders' meeting you will be asked: (3.1) to determine the number of components of the Board of Directors; (3.2) to determine the term of office of the Board of Directors; (3.3) to appoint the members of the Board of Directors; (3.4) to appoint the Chairman of the Board of Directors and (3.5) to determine the remuneration of the members of the Board of Directors.

3.1 Determination of the number of members of the Board of Directors.

The article 16, paragraph 1 of the Articles of Association (on the website www.grupposias.it, in the section "corporate governance"), states that *"the company is managed by a Board whose number of member is variable ranging from seven to fifteen, according to the resolution taken by the Shareholders' Meeting, provided the respect of the requirements in terms of number of independent members and gender balance set by the law"*.

The Board of Director invites You, therefore, to determine the number of members of the Board of Director within the above mentioned limits on the back of the proposals that will be made by the Shareholders also during the Meeting.

3.2 Determination of the term of office of the Board of Directors.

The Article 16 of the Articles of Association states that *"The Board members term of office is set by the Shareholders' Meeting, anyway for no more than three financial years"* and, therefore, You are asked to determine the duration of the office of the Board of Directors on the back of the proposals that will be made by the Shareholders also during the Meeting.

3.3 Appointment of the members of the Board of Directors.

The whole Board of Directors is appointed, according the terms and condition envisaged by the above mentioned article 16 of the Articles of Association and by the current regulation, on the back of lists presented by shareholders that, alone or in connection with other shareholders, own in total, taking into account the shares that are entitled to the shareholder the day in which the lists are presented to the Company, a number of shares representing at least 1% of the share capital, as established by Consob Resolution no. 18775 of 29 January 2014.

The certification, released by an authorized intermediary, can be presented also after the list presentation but by the twenty-first day before the Shareholders' Meeting date (and, therefore, by 28 March 2014).

Each shareholder can present itself or in connection with other shareholders only one

list.

The lists of candidates must be filed, by the twenty-fifth day before the date of the Shareholders' Meeting in single call (that is, by 24 March 2014), at the Registered Office, or sent to the email address assembleasias@grupposias.it.

Each list shall contain a number of candidates not higher than the maximum number of board members envisaged by the above mentioned paragraph 1 of the Article 16 of the Articles of Association and, at the moment of the deposit to the corporate office, it has to be completed with i) the explanatory report containing the personal and professional features of the candidates, ii) the written confirmation of acceptance of the candidacy and the declaration of not being present on other lists, along with iii) further documentation envisaged by the applicable regulation.

Candidates must comply, on top of the requirements envisaged by the law, with the limits set in "*The procedure to identify the maximum number of offices of board members or statutory auditors in other companies*" published on the company website on the above mentioned section.

Each list will have to include at least two candidates with the independence requirements envisaged by the current regulation identifying them and putting one of the them at the top of the list. The lists with a number of candidates equal or higher than three will have to include, as well, in line with the indications included in the call of the Shareholders' Meeting, candidates of different gender, in order to comply with the gender balance discipline.

The lists, with the required documentation, will be made available at the Company Registered Office, on the website (section "corporate governance") and on Borsa Italiana website, at least 21 days before the date of the Shareholders Meeting single call.

The appointment of the members of the Board of Directors will occur as follow:

- a) Four-fifths (rounded at the lowest unit in case of fraction) of the Board members will be taken from the list that will obtain the majority of the votes expressed by the entitled shareholders in the progressive order in which they appear in the list;
- b) the remaining Board members will be taken from the other lists; for this purpose, the votes obtained by each list will be divided subsequently by one, two, three, on the back of the number of Board members to be appointed. The quotient obtained will be attributed progressively to the candidates of each list, in the order in which they respectively appear in the lists. The quotient attributed to the candidates will be put in a single decreasing scoring: the candidates with the highest quotient will be elected.

In case more candidates obtain the same quotient, it will be elected the candidate

of the list that did not appoint yet any Board member or that appointed the lowest number of Board members. In case of parity of the lists votes, and, therefore, in case of parity of the quotient, it will be needed a new Shareholder's Meeting vote, with the election of the candidate that obtains the simple majority of votes.

In case, at the end of the procedure, the Board of Directors composition does not non respect the gender balance requirements, the candidates that would be elected in the different lists will be put in a single decreasing scoring, defined on the back of the quotient mechanism outlined in the previous paragraph b). The candidate of the more represented gender with the lowest quotient among the candidates taken from all the lists is replaced, providing the respect of the minimum number of Board members, by the first not elected candidate of the less represented gender included in the same list of the replaced candidate.

In case the candidates of the different lists obtain the same quotient, the candidate from the list from which the highest number of candidates is taken will be replaced.

In case the replacement of the candidate of the more represented gender with the lowest quotient does not allow to reach the minimum threshold set by the law of the gender balance, also the second-last candidate with the lowest share will be replaced and so on from the lowest part of the scoring. In all the cases in which the above described mechanism is not applicable, the replacement is done by the Shareholders' Meeting with the majority established by the law, in respect of the principle of proportionality of the minorities in the Board of Directors.

In case it is not presented or approved any list or, for any reason, the appointment of one or more Board members cannot take place in compliance with the article 16 of the Articles of Association, the Shareholders' Meeting resolves with the majorities set by the law, in order to appoint a number of Board members with the independence requirements and the respect of the existing regulation in terms of gender balance.

It is noted that, being the first renew of the Board of Directors after the approval of the regulation related to the gender balance, the quota reserved to the less represented gender is one-fifth of the Board members elected, rounded at the upper unit, in case of fraction.

As a consequence, You are asked to appoint the members of the Board of Director son the back of the lists that will presented and published in compliance with the above mentioned rules.

3.4 Appointment of the Chairman of the Board of Directors.

Reminding that according to the Article 17 of the Article of Association the

Shareholders' Meeting is in charge of the appointment of the Chairman of the Board of Directors, You are invited to appoint the Chairman of the Board of Directors.

3.5 Determination of the remuneration of the members of the Board of Director.

According to article 16 of the Articles of Association " *the Shareholders Meeting determine the remuneration of the members of the Board of Directors: such remuneration will remain in force also for the following financial years, until a new resolution of the Shareholders' Meeting.*"

The Board of Directors asks You, therefore, to determine the remuneration of the members of the Board of Directors and the Chairman on the back of the proposals that can be made by the shareholders even during the Shareholders meeting.

Tortona, 6 March 2014

f. the Board of Directors

The Chairman
(Stefania Bariatti)