

BY-LAWS

SECTION I

NAME - PURPOSE - REGISTERED OFFICE - DURATION

Article 1 - Name

1.1 The company's name is "ELICA Società per Azioni", also to be indicated as "ELICA S.p.A.".

1.2 The name may be written in whole or in part in upper or lower-case characters without any graphic representation restrictions.

Article 2 - Purpose

2.1 The Company's exclusive purpose is to carry out the following activities:

- the exercise, on its own behalf and on behalf of third parties, of the industry of construction of electromechanical and mechanical articles, steel production and the production of articles in synthetic resins and similar, the trade, including electronic trade, of the products deriving from the aforementioned activities and processing, even if produced by others;

- the production and sale of home appliances and components for the electro-mechanical and mechanical industries;

- the creation of services and the processing of accounting data on behalf of subsidiaries and associated companies, including via the use of IT systems, accounting machines and computers of all kinds;

- the provision of consultancy services within the scope of its activity, including the activity of product testing.

2.2 The Company may in addition, in pursuing its purpose:

- carry out, in general, all commercial, industrial, financial, securities and real estate transactions that the board of directors deems useful and/or necessary to achieve the corporate purpose;

- acquire holdings and interests in other companies and businesses having similar or related purposes;

- carry out the technical, financial and administrative coordination of the entities in which it has a holding and their financing in general in any form, and by any act that serves even only indirectly the corporate purpose;

- grant secured guarantees, sureties and endorsements in favour of third parties in the interest of the Company or its subsidiaries or associated companies.

2.3 The exclusion of all financial and fiduciary activities reserved under the law and the implementing ministerial decrees remains unaffected.

Article 3 - Registered office

3.1 The registered office of the Company is in the municipality of Fabriano (AN).

3.2 Decisions concerning the transfer of the registered office within Italy, in addition to the setting up, transfer and closing of secondary offices, is within the scope of the Board of Directors.

Article 4 - Duration

4.1 The duration of the Company concludes on December 31, 2030, except in the case of extensions or advance winding-up.

SECTION II

**SHARE CAPITAL - DOMICILE -
ASSETS FOR SPECIFIC BUSINESS PURPOSES
- SHARES - FINANCIAL INSTRUMENTS - BONDS - LOANS**

Article 5 - Share capital

5.1 The share capital amounts to Euro 12,664,560.00 and comprises 63,322,800 ordinary shares of a nominal value of Euro 0.20 each.

5.2 The option right for shareholders on newly issued shares may be excluded, within the limits of 10% (ten percent) of the pre-existing share capital, provided that the issue price corresponds to the market value of the shares and such is confirmed by the relative report of the auditor or the independent audit firm of the company.

5.3 The share capital may also be increased by means of contribution of assets in kind and/or receivables, or by the issue of preference shares or shares with rights other than those of the pre-existing shares, pursuant to Articles 2348, 2350, 2351 and 2353 of the Civil Code.

Article 6 - Domicile

6.1 The domicile of the Shareholders, Directors and Statutory Auditors, for all relations with the Company, is that indicated in the Company registers; it is the responsibility of the above-mentioned parties to notify changes of domicile.

Article 7 - Assets for specific business purposes

7.1 The Company may constitute, following the approval of the Shareholders' Meeting, assets for a specific business pursuant to Articles 2447-bis and subsequent of the Civil Code.

Article 8 - Shares. Financial instruments. Bonds

8.1 The shares are to bearer, indivisible, freely transferable and confer equal rights to holders. Shareholders comply unconditionally with these By-Laws.

8.2 In addition to ordinary shares, the Company has the faculty to issue, in compliance with law, classes of shares

with differing rights. The Company may issue special classes of shares established by Article 2349, first paragraph of the Civil Code.

8.3 The Company may issue, in compliance with law, financial instruments other than shares. The issue of financial instruments requires the approval of the Extraordinary Shareholders' Meeting which establishes the characteristics, the issue conditions, the administrative and/or equity rights, penalties in the case of non-fulfilment of a commitment undertaken, as well as the manner for transfer, circulation and repayment. The Company may also issue financial instruments as per Article 2349, second paragraph of the Civil Code.

8.4 The Company may issue non-convertible and convertible bond loans or with warrants, in accordance with Articles 2410 subsequent of the Civil Code.

Article 9 - Loans

9.1 The Company may acquire from shareholders, for the achievement of the corporate purpose, interest-bearing or non-interest-bearing funding, with or without a repayment obligation, based on applicable regulations, with particular reference to those that govern public investments.

SECTION III WITHDRAWAL

Article 10 - Withdrawal

10.1 The Shareholders may withdraw from the Company in the cases covered by the first paragraph article 2437 of the Civil Code and in the other legally provided cases. The right to withdrawal is not permitted for Shareholders who do not agree with motions concerning the extension of the duration.

10.2 In order to exercise the right to withdrawal and for the reimbursement for the shares of the withdrawing shareholder, Articles 2437-*bis*, *ter* and *quater* of the Civil Code apply.

SECTION IV SHAREHOLDERS' MEETINGS

Article 11 - Shareholders' Meeting Call

11.1 Both the Ordinary and Extraordinary Shareholders' Meetings are called by the Board of Directors, also at a location other than the registered office, although in Italy or in another European Union country.

11.2 The Shareholders' Meeting shall be called at least once every year, within 120 days from financial year-end, or 180 days where the specific legal conditions are met. In this

latter case, the Directors indicate in the report required by Article 2428 of the Civil Code the reasons for the delay.

11.3 Where not possible for all of the Directors or due to their inactivity, the Shareholders' Meeting may be called by the Board of Statutory Auditors or, upon notification to the Chairperson of the Board of Directors, by at least two Statutory Auditors, or on the request of a number of Shareholders representing at least the legally-established share capital.

11.4 Both Ordinary and Extraordinary Shareholders' Meetings are called in accordance with the means and minimum deadlines established by the applicable regulation.

The call notice may indicate the day, time and place for a second and, limited to the Extraordinary Shareholders' Meeting, a third call.

In the case of single call Shareholders' Meetings, the majorities established by Article 2369 of the Civil Code for Shareholders' Meeting in single call are applied, subject to the legal or By-Law provisions requiring higher majorities for the approval of such motions. Where required by the relative regulation regarding the publication of a daily newspaper notice, such shall be published in one of the following daily newspapers: "Corriere della Sera", "Il Sole 24 Ore", "Italia Oggi" or "Milano Finanza".

11.5 In the absence of a formal call, the Shareholders' Meeting is considered duly called and may validly consider motions where the entire share capital is represented and where the majority of the Directors in office and the majority of the Statutory Auditors are present.

11.6 Shareholders who, even jointly, represent at least the share capital provided for by current regulations may request, within the terms and in the manner provided for by the regulations, the supplementation of the matters to be dealt with, indicating in the request the additional matters proposed by them or they may submit proposals for motions on matters already on the agenda. The requests, together with the documentation declaring ownership of the holding, should be presented in writing, by post or by e-mail, in compliance with any requirements strictly necessary for the identification of the requesting parties, as indicated by the Company. Those with voting rights may individually present proposals to the Shareholders' Meeting.

Any supplements to the Agenda or the submission of further proposals on matters already on the agenda, submitted pursuant to the previous paragraph, shall be notified according to the means and within the timeframes provided for by the applicable regulations. Further proposals on matters already on the Agenda are made available to the public according to the means

and within the timeframes provided for by the applicable regulations.

Supplementations to the Agenda presented as per the above paragraphs is not permitted for those matters on which the Shareholders' Meeting passes motions, as prescribed by law, on proposals of the Directors or in relation to a project or report prepared by the Board, other than those indicated at Article 125-ter, paragraph 1 of Legislative Decree No. 58 of February 24, 1998 ("CFA"). Shareholders requesting supplementation of the Agenda should draw up a Report outlining the reasons for the proposal of new matters to be added to the Agenda or the reasoning concerning further proposals to be presented on matters already on the Agenda. The report should be sent to the Board of Directors by the deadline for the presentation of supplementation requests. The Board of Directors makes available the Report to the public, accompanied by any assessment, together with the publication of the notice for supplementation or presentation, according to the means established by Article 125-ter, paragraph 1 of the CFA.

Article 12 - Ordinary and Extraordinary Shareholders' Meetings

12.1 The Ordinary and Extraordinary Shareholders' Meetings in accordance with law and their motions passed in accordance with law and these By-Laws bind all shareholders, including those not attending or voting against such motions.

Article 12 bis - Related party transactions

The Company approves related party transactions in accordance with the applicable law and regulations, in addition to its own By-Laws and the procedures adopted by the Company in this regard.

These procedures may provide for the exclusion of urgent transactions from their scope of application, including those falling within the scope of the Shareholders' Meeting, to the extent permitted by applicable laws and regulations.

Where a proposal to be submitted to the Shareholders' Meeting in relation to a significant transaction is approved amid an opposing opinion of the "Related Party Transactions Committee", the Shareholders' Meeting votes by statutory majority, provided that, where the unrelated shareholders at the Shareholders' Meeting represent at least 10% of the share capital with voting rights, the majority of the unrelated shareholders at the Shareholders' Meeting do not vote against.

Article 13 - Attendance - Proxy

13.1 All those with voting rights according to the applicable regulation may attend the Shareholders' Meeting.

13.2 In the case of the admission of shares of the Company to trading at a regulated Italian market, however, all those who have sent the Company the communication provided by the intermediary appointed by the end of the third market day preceding the date fixed for the Shareholders' Meeting in first call or in single call, have the right to attend the shareholders' meeting, or within a differing time period established by existing regulations, as long as the communications are sent to the Company within the above-stated deadlines, provided by the beginning of the business of the shareholders' meeting.

13.3 Each shareholder who has the right to attend the Shareholders' Meeting may be represented by others, through written proxy, in accordance with law and the Shareholders' Meeting regulation, where approved. The notification through electronic means of proxy to the Company by those with the right to vote may take place through sending an e-mail to the address indicated in the call notice.

The Chairperson of the meeting shall verify the propriety of the proxies and in general the right to attend. The representative may, in place of the original, deliver or transmit a copy, also electronically, of the proxy form, declaring in good faith compliance of the proxy form with the original and the identity of the principal.

13.4 The Company, utilising the faculty established by law, does not designate a representative as per Article 135 - *undecies* of Legislative Decree No. 58 of February 24, 1998.

Article 14 - Chairperson of the Shareholders' Meeting - Hosting

14.1 The Shareholders' Meeting is chaired by the Chairperson of the Board of Directors, or, in his/her absence, by the Vice Chairperson, where appointed, or, in the absence of this latter, by the Chief Executive Officers in order of seniority or, in the absence also of these latter, by a person designated by the attendees.

14.2 The Shareholders' Meeting appoints by statutory majority a Secretary, including a non-shareholder, where the minutes are not drawn up by a Notary.

14.3 Both Ordinary and Extraordinary Shareholders' Meetings may be held with attendees located in several places, near or distant, connected by audio and/or video, provided that the plenary method and the principles of good faith and the equal treatment of the shareholders are respected.

In particular, it is necessary that:

- the Chairperson of the Shareholders' Meeting, also through his/her office, is permitted to (i) ascertain the identity and right to attend of those present, distributing to them, where drafted, the documents prepared for the meeting; (ii) control the hosting of the meeting; (iii) ascertain and announce the results of the vote;

- the minutes-taker is able to adequately note all the matters pertaining to the Shareholders' Meeting.

- attendees may participate in the discussions and vote simultaneously on the matters on the agenda;

- the call notice indicates the audio and/or video locations connected by the company, at which attendees may gather, while the meeting is considered held in the location in which the Chairperson and the minute-taker are present.

14.4 The hosting of the Shareholders' Meeting is governed not only by the legal and By-Law provisions, but also by the specific rules of the Shareholders' Meeting that may be approved by the Shareholders' Meeting.

Article 15 - Quorum and minutes

15.1 For the due constitution of the Shareholders' Meeting, both in ordinary and extraordinary session, and for the validity of the relative motions, statutory majorities and the legal and By-Law provisions are applied.

15.2 The motions of the Shareholders' Meetings should be documented in minutes signed by the Chairperson or by a Notary where drawn up by the latter. The minutes for Extraordinary Shareholders' Meetings must be prepared by a Notary.

SECTION V

ADMINISTRATION - REPRESENTATION

Article 16 - Board of Directors

16.1 The Company is administered by a Board of Directors consisting of a minimum of five members and a maximum of eleven members, including also non-Shareholders, according to the decisions adopted on appointment and as per the applicable regulation. An adequate number of Directors, in any case not less than that established by law, must meet the legally-established independence requirements, while the composition of the Board of Directors should ensure the balance required between males and females as per the applicable legal and regulatory provisions.

The Shareholders' Meeting may change the number of Directors also during its mandate and within the limits provided herein. In this case, the Shareholders' Meeting shall appoint them in the same manner as indicated in this article, also establishing the duration of their term of office, in compliance with the applicable rules on the composition of the Board of Directors.

16.2 The Directors are appointed by the Shareholders' Meeting on the basis of slates filed by the Shareholders at the registered office, in the manner provided for by the applicable regulations, also through remote communication, in compliance with any strictly necessary requirements to

identify the applicants indicated by the Company, within twenty-five days of the Shareholders' Meeting called to consider the appointment of the members of the Board of Directors, or according to a differing timeframes established by the applicable regulation. The slates should number candidates sequentially in an amount not exceeding the maximum number of Directors indicated at Article 16.1 above. Only Shareholders who individually or collectively hold at least one-fortieth of the share capital have the right to present slates or a differing minimum percentage provided for or allowed by regulations. The ownership of the minimum holding necessary indicated above is established considering the shares which have been registered in favour of the Shareholder on the day on which the slates are filed at the registered office. The relative certificate released by the authorised financial intermediaries declaring the ownership of the number of shares required to present such slates may be sent after the filing of the slate, although by the deadline for the publication of slates by the Company or according to a differing deadline established by the applicable regulation. The Shareholders' Meeting notice called to appoint the members of the Board of Directors indicates the shareholding required for the presentation of slates.

Each shareholder, as well as related shareholders through control or association relations in accordance with the Civil Code, may not present or vote on, even through nominees or trust companies, more than one slate.

Each candidate may run on one slate only, subject to ineligibility. Candidates which (notwithstanding any other reason for ineligibility) do not meet the requirements established by law or the By-Laws may not be included on the slate of candidates.

Each slate should present a number of candidates not exceeding the maximum number of Directors indicated by Article 16.1 above; a minimum number of candidates, equal to the number specified by applicable law and regulations, must meet the independence requirements set out therein.

Each slate - where not presenting a number of candidates lower than three - must also ensure the presence of both genders, so that the candidates from the under-represented gender comprise at least two-fifths of the total; where the application of the gender balance criterion does not result in an exact number of Directors belonging to the under-represented gender, this number is rounded upwards.

The Company should make available the slates of candidates to the public at the registered office, on the company website and according to the other means established by Consob through its regulations, at least 21 days before the Shareholders' Meeting, or according to the deadlines and means established by the applicable regulation. On filing, each slate must be accompanied by:

- a) through information on the personal and professional attributes of the candidates;
- b) a declaration by each candidate in acceptance of their candidacy and, in good faith, upon the inexistence of any cause of ineligibility or incompatibility in accordance with law, in addition to, where applicable, regarding the satisfaction of the independence requirements established by the applicable regulation;
- c) indication of the identity of the Shareholders who have presented the slates and their overall shareholding.

The slates, or the individual candidacies, presented that do not comply in full with that set out above shall be considered as not presented. For the inclusion of the Directors to be elected, consideration is not taken of the slates which have not obtained at least half of the votes required for the presentation of the slates. All those entitled to vote shall vote for only one slate.

The procedure for electing the Directors shall be as follows:

- a) from the slate which obtained the highest number of votes (hereafter, for the purposes of this article, the "Majority Slate"), all of the members of the Board of Directors are elected except one, as established by the Shareholders' Meeting, according to the sequential order of the slate;
- b) from the slate which obtained the second highest number of votes (hereafter, for the purposes of this article, the "Minority Slate"), which is not connected in any way, even indirectly, with the shareholders who have presented or voted on the Majority Slate, the first candidate listed is elected to the Board of Directors.

Where, with the candidates elected according to the manners stated above, the appointment of a number of independent directors as per Article 16.1 of these By-Laws is not ensured, or if the gender balance provisions have not been complied with (including the rounding upwards of the number of members of the Board of Directors in the case of the application of the gender balance quotas not resulting in a full number), the non-independent candidate of the most represented gender elected last on the sequential numbering of the Majority Slate will be replaced by the first independent candidate of the other gender, according to the respective sequential numbering, not elected on the same Majority Slate. In the case in which the Majority Slate no longer presents non-elected candidates with the necessary requirements or in the case in which the Majority Slate does not contain a sufficient number of candidates to form the Board in accordance with that established by the Shareholders' Meeting, the meeting proceeds

with their replacement/supplementation by statutory majority. The candidate listed in first position on the Majority Slate is elected as Chairperson of Board of Directors. Should two or more slates receive the same number of votes, a second vote of the Shareholders' Meeting is taken, with only those tied taking part.

In the case in which only one slate is presented or voted upon, or where only one slate has received at least half of the required votes for presentation, all Directors will be elected from the slate, in compliance with the provisions concerning the composition of the Board of Directors.

Where no slate is presented, the Shareholders' Meeting votes by statutory majority, without following with the above-stated procedure, subject to the paragraph below and however in such a manner that the applicable regulations concerning the composition of the Board of Directors are complied with.

16.3 The Board of Directors chooses from among its members its Chairperson, where this role is not appointed by the Shareholders' Meeting and may appoint a Vice Chairperson.

16.4 The Directors are appointed for a maximum period of three years, which concludes on the date of the Shareholders' Meeting called for the approval of the financial statements relating to the final year in office and may be re-elected.

16.5 The Directors must also satisfy the eligibility, professionalism, good standing and independence requirements established by law and the other applicable provisions. Non-compliance with the legal requirements, as declared by the Board of Directors or the Shareholders' Meeting, results in the immediate loss of office.

16.6 Should one or more vacancies occur on the Board, they shall be replaced in accordance with the provisions of Article 2386 of the Civil Code, as follows:

a) the Board of Directors appoints its replacements from the same slate to which the departing Directors belonged and the Shareholders' Meeting votes, according to statutory majority, while ensuring in any case the presence of a number of Independent directors as required by applicable laws and regulations on the Board of Directors and compliance with the applicable rules concerning the composition of the Board of Directors;

b) where previously unelected candidates no longer remain on the above slate, the Board of Directors selects replacements without observing the rules indicated at point a), while the Shareholders' Meeting votes, also according to statutory majority, while ensuring in any case the presence of a number of Independent directors as required by applicable laws and regulations on the Board of Directors and compliance with the

applicable rules concerning the composition of the Board of Directors.

Article 17 - Meeting Call - Meetings

17.1 Subject to the calling powers reserved to the members of the Board of Statutory Auditors for the legally-established cases, the Board of Directors is called at the registered office of the Company or in another location, although in Italy or in a European Union country, by the Chairperson, or in the case of his/her absence or impediment, by the Vice Chairperson or the Chief Executive Officers, where appointed, in order of seniority of age, or, in the absence or impediment also of these latter, by the most senior Director in terms of age, through registered letter, telefax or electronic mail, to be sent at least 5 days before the date of the meeting. The notice shall indicate the date, the time and the place, in addition to the matters to be covered.

17.2 In cases of urgency, the meeting may also be called by telegram, fax or electronic mail, to be sent to each Director and each Statutory Auditor at least one day before the date established for the meeting. Calls must be sent to the domicile or to the fax number or electronic mail address that will be communicated by the Directors and Statutory Auditors.

17.3 The Board of Directors is validly constituted when, also in the absence of formal call, all the Directors in office and all the Statutory Auditors are present.

17.4 Meetings of the Board may be held by audio/video conference or teleconference provided that the guarantees set out in Article 14.3 of these By-Laws are met.

Article 18 - Meetings

18.1 The meeting is chaired by the Chairperson of the Board of Directors or, in his/her absence, by the Vice Chairperson, where appointed, or, in the absence also of this latter, by the Chief Executive Officers, where appointed, in order of seniority of age, and in the absence also of these latter, by a person elected by a majority of those attending.

18.2 The Board shall be duly constituted when a majority of its members in office are present. Motions shall be passed by an absolute majority of those present (excluding abstentions). In the event of a tie in votes, the casting vote shall be that of the Chairperson. The Chairperson may invite Company employees or outside consultants to attend, without voting rights, Board meetings to discuss specific matters.

18.3 Motions should be recorded in minutes signed by the Chairperson or by the Secretary, who may also be external to the Company, or by a Notary, where the minutes are prepared by this latter. The Chairperson appoints the meeting Secretary.

Article 19 - Powers and functions of the Board of Directors

19.1 The Board of Directors are granted all powers required for the management of the Company and the faculty to carry out all acts and operations considered necessary for the reaching of the corporate objectives, except in the case of those attributed by law to the Shareholders' Meeting or deriving from specific authorisations required by the By-Laws.

19.2 The Board of Directors also has the following duties:

- a) merger and spin-off motions in the cases established by Articles 2505 and 2505-bis, of the Civil Code;
- b) the opening, transfer and closing of secondary offices;
- c) the indication of which Directors hold powers of representation for the Company;
- d) the issue of non-convertible bonds within the limits set out in Article 2412 of the Civil Code and convertible within the limits set by Article 2420-ter of the Civil Code;
- e) the decrease of the share capital in the event of the withdrawal of shareholders;
- f) the updating of the company by-laws and the shareholder meeting regulation in accordance with law;
- g) the transfer of the registered office to another municipality within Italy;
- h) the reduction of the share capital where losses are greater than one-third of the share capital and the Company has issued shares without nominal value.

19.3 The Board of Directors is authorised to appoint special attorneys, senior managers, general managers and agents in general to perform acts or classes of acts in the name and on behalf of the Company, determining their powers and duties, including signatory powers, in addition to remuneration within the limits and in the forms it deems appropriate. The Board may also set up committees with consultative and proposal functions, also with expertise on specific matters, establishing their composition and powers.

19.4 The provisions of Article 2390, first paragraph, of the Civil Code apply to the Directors, unless exempted from such by the Shareholders' Meeting.

19.5 The directors report to the Board of Statutory Auditors on a timely and at least quarterly basis at the meeting of the Board of Directors or the Executive Committee, if appointed, or via written notes sent directly to the Chairperson of the Board of Statutory Auditors, on the activities carried out and their general management and foreseeable development, as well as on the most significant transactions, in terms of size or characteristics, carried out by the Company and its subsidiaries. In particular, they must report on transactions in which one or more of them have an interest, on their own

behalf or on behalf of third parties, or which are influenced by the person exercising the management or coordination activity, where applicable. The Board of Directors, also through the Chairperson, the Vice Chairperson where appointed, or the chief executive officers, reports in addition to the Shareholders' Meeting, upon compliance with the codes of conduct issued by the regulated market management companies or sector associations and on compliance with the relative commitments, in accordance with the applicable regulations.

Article 20 - Executive Bodies

20.1 The Board of Directors has the faculty to delegate, within the limits of Article 2381 of the Civil Code, its duties to an Executive Committee or one or more Chief Executive Officers, setting their powers and duties. The office of Chairperson and Vice Chairperson are cumulative with that of Chief Executive Officer or member of the Executive Committee.

20.2 The executive bodies, where appointed, shall report to the Board of Directors, even orally and at least quarterly, on the exercise of their respective powers, as well as on the most significant transactions, due to their size or characteristics, carried out by the Company and its subsidiaries; in particular, they shall report on transactions in which they have an interest, on their own behalf or on behalf of third parties.

Article 21 - Executive Committee

21.1 The Executive Committee, where appointed, comprises between three and five members, elected from among the Directors.

21.2 The meetings of the Executive Committee are called according to the same means as for the Board of Directors, as per Article 17 of these By-Laws. The Committee meets when deemed appropriate by the Chairperson or requested by the Vice Chairperson, the Chief Executive Officer, where appointed, or by at least two members. The Board of Statutory Auditors attends its meetings.

21.3 Participants at the Executive Committee meeting may attend remotely by means of audio-visual links (video or teleconference), although subject to the guarantees as per Article 14.3 of these By-Laws. Meetings are valid even if not called as set out above, provided that all members of the Executive Committee and the Board of Statutory Auditors take part.

21.4 The Executive Committee elects a Chairperson from among its members, as well as a Secretary, who may also be a non-member. Where the Chairperson or Secretary is absent or unable to attend, the Committee shall appoint a replacement.

21.5 The Chairperson may invite Company employees or external consultants to participate, without voting rights, in the meetings of the Committee to discuss specific topics.

21.6 The presence of a majority of its members in office is required for the validity of the motions of the Executive Committee. Motions are adopted by an absolute majority of those voting, excluding abstentions, and in the case of a tie the vote of the chair shall be decisive.

21.7 The motions of the Executive Committee should be reported in minutes transcribed to a specific register, signed by the Chairperson and by the Secretary.

Article 22 - Remuneration. Expenses

22.1 The Directors shall be reimbursed for all documented expenses incurred by them during the course of their duties. The Shareholders' Meeting in addition decides the remuneration of the Board of Directors. This remuneration shall comprise, in whole or in part, profit-sharing or rights to subscribe to future shares at a pre-set price. The remuneration paid to directors to whom specific roles are allocated is fixed by the board of directors following consultation with the Board of Statutory Auditors.

22.2 An end-of-mandate indemnity may be decided by the Shareholders' Meeting in favour of each director, allocating the relative sums according to the means established by the Shareholders' Meeting.

Article 23 - Company Representation

23.1 The Chairperson of the Board of Directors and, in the event of his/her absence or impediment, the Vice Chairperson, where appointed, and, where appointed, the Director or Chief Executive Officers, or the persons to whom the Board of Directors has assigned such as per Article 20 above, shall represent the Company in dealings with third parties and in legal proceedings and sign on behalf of the Company, within the limits of the powers assigned to them.

SECTION VI

BOARD OF STATUTORY AUDITORS - EXECUTIVE OFFICER FOR FINANCIAL REPORTING

Article 24 - Board of Statutory Auditors

24.1 The Board of Statutory Auditors verifies compliance with law and the By-Laws and the principles of correct administration and the adequacy of the administration and accounting organisation adopted by the company and on its

correct functioning. The Board of Statutory Auditors also monitors the procedures for the concrete implementation of corporate governance as per the codes of conduct drawn up by companies managing regulated markets or sector associations, which the company, through public disclosure, declares to comply with, as well as the adequacy of the instructions provided by the company to its subsidiaries as per Article 114, second paragraph, of Legislative Decree 58/98.

The Board of Statutory Auditors is composed, in compliance with current legislation on gender balance, of 3 statutory auditors and 2 alternate auditors, who remain in office for three years, until the date of the Shareholders' Meeting called to approve the financial statements for the last year of their term of office and may be re-elected.

24.2 Statutory Auditors must also satisfy the requirements of eligibility, good standing and independence provided by law and the other applicable provisions. In particular, in relation to the professionalism requirement covered by Article 1 of Justice Ministerial Decree of March 30, 2000, No. 162, the following fields are deemed to be closely related to the company's activities: that relating to commercial or tax law, the economy and corporate finance, the manufacturing and design sector, as well as the activities listed in Article 2 above.

24.3 Except in the situation of ineligibility established by law, no person who covers offices of statutory auditor in five or more other companies listed on regulated markets may fulfil the role of statutory auditor and if nominated must vacate the office, with exclusion of the subsidiary companies as well as the parent companies and the companies controlled by such, or anyone who covers offices of direction and control in a number higher than that provided by law and the regulations in force.

24.4 The Board of Statutory Auditors is appointed on the basis of slates presented by shareholders in which candidates are listed by sequential numbering. The slate is composed of two sections: one for the candidates for the office of standing auditor and the other for candidates for the office of alternate auditor. Only Shareholders who, individually or together with others, represent the minimum percentage established by Article 16.2 above for the presentation of the slates for the appointment of the Board of Directors, or a differing holding of the share capital of the Company, as established by the applicable regulation, have the right to present slates. The call notice of the Shareholders' Meeting to consider the appointment of the Board of Statutory Auditors should indicate: the required holding for the presentation of slates, the means and terms to present slates for the election

of members of the Board of Statutory Auditors by the minority shareholders and any other details required by the applicable regulations.

24.5 A shareholder cannot present or vote for more than one slate, including through a nominee or trust company. Each shareholder belonging to the same group or members of a shareholder agreement as per Article 122 of Legs. Decree No. 58/98, may not present or be involved in the presentation, either through nominees or trust companies, of more than one slate, nor may they vote on different slates. The slates:

(i) must indicate at least one candidate for the role of standing auditor and one for the role of alternate auditor and, in any case, a number of candidates not greater than the statutory auditors to be elected, listed by sequential numbering;

(ii) where not presenting a number of candidates lower than three, each slate must also ensure the presence of both genders, so that the candidates from the under-represented gender comprise at least two-fifths of the total; where the application of the gender balance criterion does not result in an exact number of Statutory Auditors belonging to the under-represented gender, this number is rounded downwards.

Each candidate can be presented only on one slate at the risk of being declared ineligible.

24.6 The slates of candidates should be filed at the registered office, also through remote communication, in compliance with any requirements strictly necessary for the identification of the requesting parties, within twenty-five days of the date of the Shareholders' Meeting called to appoint the Statutory Auditors and made available to the public at the registered office, on the company website and according to the other means established by Consob through its regulations, at least 21 days before the Shareholders' Meeting, or according to the deadlines and means established by the applicable regulation.

On filing, each slate must be accompanied by:

a) information concerning the identity of the shareholders who have presented the slates and their overall shareholding;

b) the declaration of the shareholders other than those who hold, including jointly, a controlling or relative majority shareholding, stating the absence of connecting relationships with these latter;

c) complete information on the personal and professional characteristics of the candidates, as well as declarations by such candidates certifying that they meet the legal requirements and their acceptance of the candidature;

d) the list of management and control positions held by the candidates at other companies.

The certificate released by the authorised financial intermediaries declaring the ownership of the number of shares required to present such slates may be sent after the filing of the slate, although by the deadline for the publication of slates by the Company or according to a differing deadline established by the applicable regulation. In the event that only one slate is presented twenty-five days prior to the Shareholders' Meeting called to resolve on the appointment of the Board of Statutory Auditors, or only slates related to it are presented, slates may be presented up until the third subsequent day to this date or any other date stipulated by the applicable regulation. In this case, the minimum thresholds set out in Article 24.4 above shall be reduced by half.

24.7 On the appointment of the Statutory Auditors and before the acceptance of the appointment, the Shareholders' Meeting shall be informed of the administration and control positions held by them in other companies. The members of the Board of Statutory Auditors shall also inform Consob and the public upon the administration and control positions they hold in other companies.

24.8 For the election of the Statutory Auditors, considering also compliance with the applicable regulations concerning gender balance (including rounding downwards where necessary in relation to the under-represented gender), the following is applied:

1) from the slate which obtained the highest number of votes in the shareholders' meeting (hereafter, for the purposes of this article, the "Majority Slate"), based on the sequential order on the slate, 2 statutory auditors and 1 alternate auditor are elected;

2) from the slate which obtained the second highest number of votes (hereafter, for the purposes of this article, the "Minority Slate") and which, in accordance with current regulations, was presented and voted upon by shareholders who are not connected in any way, even indirectly, with the shareholders who have presented or voted on the Majority Slate, based on the sequential order listed on the slate, one statutory auditor and one alternate auditor is elected.

The Chairperson of the Board of Statutory Auditors shall be the first candidate on the Minority Slate.

In the case of a tie in the number of votes between two or more slates, the eldest candidates shall be deemed elected.

If voting does not result in compliance with the applicable legal and regulatory provisions in relation to gender balance (including rounding downwards where necessary in relation to the underrepresented gender), the elected Statutory Auditor candidate appearing last on the Majority Slate of the overrepresented gender is excluded and will be replaced by the next candidate from the same slate belonging to the other gender.

In the case in which the Majority Slate no longer presents non-elected candidates with the necessary requirements, or in the case in which the Majority Slate does not contain a sufficient number of candidates to form the Board of Statutory Auditors, the Shareholders' Meeting proceeds with their replacement/supplementation by statutory majority.

24.9 In the case of the replacement of a Statutory Auditor, the alternate auditor from the same slate joins the Board, on condition that the applicable legal and regulatory provisions are complied with.

24.10 The previous provisions in relation to the election of statutory auditors are not applied to Shareholders' Meeting for which only one slate is presented or voted upon or in the shareholders' meetings which provides in accordance with law for the appointment of statutory auditors and/or alternate auditors necessary to complete the Board of Statutory Auditors following replacement or resignation. In this case, the Shareholders' Meeting votes by majority.

24.11 The Board of Statutory Auditors must meet at least every ninety days on the calling of any of the Board members.

Article 25 - Independent Audit Firm

25.1 The legal audit of the Company's accounts is carried out by an auditing firm that meets the legal requirements.

The appointment and revocation of the auditing firm and the setting of its remuneration are the responsibility of the Shareholders' Meeting.

The duration of the assignment, the rights, duties, prerogatives and responsibilities of the auditing firm are governed by the applicable regulatory provisions.

Article 26 - Executive officer for financial reporting

26.1 The Board of Directors, following the issue of the relative mandatory opinion of the Board of Statutory Auditors, shall appoint an executive officer for financial reporting, determining the duration of the mandate and remuneration and identifying the powers and means necessary to perform the functions assigned.

The executive officer for financial reporting should meet the professional skill requirements in the areas of administration, finance and control, in addition to the good standing requirements established for the Directors.

The executive officer for financial reporting exercises the powers and duties attributed as per Article 154-*bis* of Legislative Decree No. 58/98, in addition to the applicable regulatory provisions.

**SECTION VII
FINANCIAL YEAR -
FINANCIAL STATEMENTS - PROFITS**

Article 27 - Financial Year - Financial Statements

27.1 The financial year ends on December 31 of each year. At the end of each financial year, the Board of Directors prepares the financial statements in accordance with law.

Article 28 - Profits - Dividends

28.1 The profits shown in the duly approved financial statements, except for the legal reserve, are available to the Shareholders' Meeting, taking into account the provisions of Articles 2430 and 2433 of the Civil Code.

The Board of Directors may pass motions, as per Article 2433-*bis* of the Civil Code, to distribute interim dividends in the cases, in the manner and to the extent permitted by applicable regulations.

28.2 Dividends shall be paid in the manner and according to the timeframes set annually by the Ordinary Shareholders' Meeting. Dividends not collected within five years from the day they become payable shall be forfeited to the Company.

**SECTION VIII
WINDING-UP AND LIQUIDATION**

Article 29

29.1 In the event of the Company's winding-up, at any time and for any reason, the Extraordinary Shareholders' Meeting shall establish the rules for liquidation and appoint, in accordance with law, one or more liquidators, establishing their powers and remuneration.

SECTION IX
GENERAL PROVISIONS

Article 30

30.1 Any matters not expressly provided for in these By-Laws shall be governed by the provisions of the Civil Code and according to the special laws for joint-stock companies.