

**Board of Directors’ explanatory report drafted pursuant to article 125-ter of legislative decree no. 58 of 24 February 1998 (“TUF”) and article 72 of Consob Regulation no. 11971 of 14 May 1999 (the “Issuers’ Regulation”), as amended, on the first and only item on the agenda of the Extraordinary Shareholders’ Meeting called for 28 August 2020 and 29 August 2020, respectively on first call, and, where necessary, on second call:**

**1. Amendments to the Articles of association: 1.1 amendment to article 3 by deleting a historical reference. Related and consequent resolutions; 1.2 insertion of a new article 7 (and renumbering of all subsequent articles) for the introduction of increased voting rights and consequent amendment of the heading of article 6. Related and consequent resolutions.**

Dear Shareholders,

With reference to the first and only item on the Agenda of the Extraordinary Shareholders’ Meeting, this Report, prepared in accordance with article 125-ter of the TUF, articles 72 and 84-ter of the Issuers’ Regulation and annex 3A, schedule no. 3, to the aforesaid regulation, is intended to illustrate the proposals for amendments to the Articles of association that the Board of Directors of Sesa S.p.A. (hereinafter “**Sesa**” or the “**Company**”) intends to submit for your approval for the introduction of the so-called “increased voting rights” mechanism. With this Report, the Board of Directors intends to explain to you the reasons for the above-mentioned proposal, also presenting the text of the new article to be introduced.

\* \* \* \*

#### **PROPOSAL FOR THE AMENDMENT OF ARTICLE 3 OF THE ARTICLES OF ASSOCIATION**

It is proposed to amend Article 3 of the current Articles of association, removing a historical reference to the first period of the Company’s existence, which as such is no longer current. For details of the amendment, please refer to the comparative text of the Articles of association contained in this report.

It should be noted that this amendment will in no way give rise to the right of withdrawal provided for in article 2437 of the Italian Civil Code for shareholders who have not contributed to the resolution concerning the same.

#### **PROPOSAL FOR THE INTRODUCTION OF A NEW ARTICLE 7 OF THE ARTICLES OF ASSOCIATION AND CONSEQUENT AMENDMENT OF THE HEADING OF ARTICLE 6**

##### **Introduction**

With Law Decree no. 91 of 24 June 2014, converted with amendments by Law no. 116 of 11 August 2014, the legislator, by inserting art. 127-quinquies into the TUF, has introduced, in the wake of the “*loyalty shares*” under French law, the institution of the increase in voting rights. By means of this institution, issuers listed on a regulated market are given the possibility to attribute, through an amendment to their articles of association, up to a maximum of two votes per share to those who remain shareholders continuously for a period of not less than twenty-four months from the date of registration on a special list kept by the Company.

By deviating from the *one-share - one-vote* principle, the increase in voting rights allows listed companies to encourage medium/long-term investments by shareholders (so as to stabilise the shareholding structure of the listed issuer), who, by virtue of the benefit granted to them, see their role in the governance of the company strengthened.

The Board of Directors believes that the introduction of the increase in voting rights is in the interests of the Company, given that:

- it will encourage a medium-long term approach to investment, endowing shareholders who remain “loyal” with greater weight in the Company’s decisions;
- the stability of the shareholding structure will allow a lasting increase in the value of the shares and will make it possible to support the implementation of projects destined to develop over the medium-long term;
- it will help to counteract volatility in the share price, most of which is linked to short-term investments by financial investors;
- it will guarantee stability to the Company’s management by encouraging the investment of all Shareholders who share its line and strategy;
- it will make the capital structure more flexible in the context of any operations of growth by external lines.

The Board of Directors, as better described below, also deems it appropriate to provide that the increase in voting rights does not apply to resolutions of the Shareholders’ meeting concerning the determination of the remuneration of the members of corporate bodies, the approval of remuneration plans based on financial instruments and the approval of the remuneration policy prepared by the Board of Directors.

In the light of the above, the Board of Directors intends to propose the insertion of a new article 7 of the Articles of association to introduce the increased voting rights in the terms illustrated below.

#### **Voting rights increase coefficient and vesting period**

The Board of Directors, on the basis of the power delegated to the Company to indicate in the Articles of association, within the regulatory regime outlined in article 127-quinquies TUF, the minimum holding period of the shares and the voting rights increase coefficient, considers it appropriate:

- that the increased voting rights are acquired after twenty-four months from the registration in the special list kept by the Company, considering this period sufficient to configure an adequate stability of the shareholding;
- to make full use of the option granted by art. 127-quinquies TUF, consequently setting the maximum limit of the increase to two votes for each share, in order to “maximise” the positive effects expected from the introduction of the “increased voting rights”;
- to provide that the increase in voting rights does not apply to resolutions of the Shareholders’ meeting concerning the determination of the remuneration of members of corporate bodies, the approval of remuneration plans based on financial instruments and the approval of the remuneration policy prepared by the Board of Directors.

#### **Special list: registration and waiver**

Article 127-quinquies of the TUF provides that the continuous period of holding the shares necessary to achieve the increase in voting rights shall start from the registration of the shareholder in the special list kept by the company (the “**Special List**”). The Special List, the contents of which are defined by art. 143-quater of the Issuers’ Regulations, does not constitute a new company book, but rather is complementary to the shareholders’ book and, therefore, the rules of disclosure provided for this book apply to it, including the right of inspection by shareholders pursuant to art. 2422 of the Italian Civil Code.

In the light of the regulatory framework, the Board of Directors proposes to establish this Special List at the Company’s registered office and to grant the Board of Directors a mandate and all related powers for: (i) determining the manner in which it is to be maintained, in compliance with the applicable regulations; and (ii) appointing the person in charge of maintaining the Special List.

In addition to the above, the Board of Directors proposes to include the following provisions in the Articles of association:

- a) the registration will take place following a request by the interested party submitted to the Company in the forms provided for by the regulations in force and accompanied by: (i) an indication of the number of shares for which registration in the Special List is requested (which may also be formulated with regard to a part, and not all, of the shares of the requesting party); (ii) a communication certifying the ownership of such shares by the requesting shareholder, issued in the forms provided for by current legislation; (iii) an indication of any direct or indirect control by third parties, if the request is submitted by a party other than a natural person; (iv) any other documentation provided for by current legislation;
- b) the Company will proceed with the cancellation of a subject from the Special List (i) following notification by the same or the competent intermediary in accordance with the regulations in force, proving that the conditions for the increase in voting rights or the loss of the ownership of the in rem right qualifying the voting right and/or the relative voting rights have ceased to exist; or (ii) ex officio, if the Company is informed of the occurrence of facts that result in the loss of the conditions for the increase in voting rights or the loss of the ownership of the in rem right qualifying the voting right and/or the relative voting rights;
- c) the subject registered in the Special List may at any time request, by means of a written communication to be sent to the Company in accordance with the regulations in force, the cancellation from the Special List for all or part of the shares registered, with consequent loss of entitlement to the benefit of the increased voting right and, if the same has already vested, may irrevocably withdraw (in whole or in part), by means of a written communication to be sent to the Company in accordance with the regulations in force;
- d) the increase in voting rights will be acquired on the first of these two dates: (i) the fifth open market day of the calendar month following that in which the twenty-four-month period of continuous possession was completed; or (ii) the so-called *record date* of any shareholders’ meeting, determined in accordance with current regulations, following the date in which the twenty-four-month period of continuous possession was completed;
- e) the Company shall, pursuant to art. 143-quater of the Issuers’ Regulation, on the basis of communications from intermediaries and communications from interested parties, update the Special List by the fifth open market day from the end of each calendar month and, in any case, by the so called *record date* provided for by the regulations in force in relation to the right to attend and vote at the Shareholders’ meeting, so as to be able to comply with the obli-

gations to notify Consob and the public of the total amount of voting rights, in accordance with the procedures and timeframes set out in article 85-bis, paragraph 4-bis, of the Issuers' Regulation.

### **In rem right qualifying the voting right and possible transfer**

The Board of Directors deems it appropriate to specify in the Articles of association that the following in rem rights qualifying the voting right make it possible to comply with the provisions of article 127-quinquies of the TUF, according to which, for the attribution of the increased voting right, the share must belong to the same person for a period of not less than twenty-four months, in:

- a) full ownership of the share carrying voting rights;
- b) bare ownership of the share carrying voting rights;
- c) usufruct of the share carrying voting rights.

Furthermore, in compliance with the provisions of the third paragraph of the abovementioned art. 127-quinquies TUF, the proposal to amend the Articles of association identifies the cases that entail the loss of the increase in voting rights already acquired, providing for the loss of such benefit:

- a) in the case of transfer for consideration or free of charge of the share, it being understood that "transfer" also means the creation of a pledge, usufruct or other lien on the share when this results in the loss of voting rights by the shareholder;
- b) in the event of direct or indirect transfer of controlling interests in companies or entities that hold shares with increased voting rights above the threshold provided for in article 120, paragraph 2, TUF.

The occurrence of one of the above cases during the period of twenty-four months following the registration in the Special List determines the cancellation from the aforementioned list and inhibits the accrual of the benefit, subject to the effects of a new registration, if the conditions are met.

Again in line with the applicable regulatory provisions, it is proposed to specify in the Articles of association that the loss of entitlement to increased voting rights (or deletion from the Special List) does not take place in the event of:

- a) succession due to death of the person entered in the Special List in favour of the heir and/or legatee;
- b) merger or demerger of the person registered in the Special List;
- c) free transfer: (i) under a family agreement; (ii) to an entity such as, for example, a foundation, of which the transferor himself is the founder; (iii) to a trust of which the transferor and/or his heirs are trustees and/or beneficiaries;
- d) transfer from one portfolio to another of UCIs managed by the same entity;
- e) where the participation is attributable to a trust, change of trustee.

In such cases, even if the person holding the increased voting rights changes, the new holder makes use of the increase in the voting right already acquired or the vesting period already elapsed by his transferee.

### **Retention and extension of increased voting rights**

With reference to capital increases, the Board of Directors considers it appropriate to provide for the proportional extension of the benefit of the increase in voting rights also to new shares issued in the course of a capital increase, whether free of charge or with new contributions made in the exercise of pre-emptive rights.

With reference to possible mergers or demergers of the Company, in accordance with the provisions of art. 127-quinquies, paragraph 4, TUF, it is envisaged that the increased voting right will also apply to the shares assigned in exchange for those to which the increased vote is attributed, where this is provided for in the relevant merger or demerger plan.

The Board of Directors also deems it appropriate to provide for the proportional extension of the benefit of the increase in voting rights to newly issued shares in the event of the exercise of conversion rights associated with convertible bonds.

In relation to the above scenarios, it was deemed appropriate to specify that the new shares acquire the increase in voting rights (i) for newly issued shares due to the holder in relation to shares for which the increase in voting rights has already vested, from the time of registration in the Special List, without the need for a further period of continuous ownership; (ii) for newly issued shares due to the holder in relation to shares for which the increase in voting rights has not already vested (but is in the process of becoming vested), from the moment of completion of the period of ownership calculated from the original registration in the Special List.

#### **Calculation of the meeting quorum**

Pursuant to Article 127-quinquies, paragraph 8, of the TUF, the Board of Directors deems it appropriate to propose that the increase in voting rights be counted also for the purpose of calculating the *quorums*, both to convene and pass resolutions, of shareholders' meetings that make reference to percentages of share capital, it being understood that the same increase has no effect on the rights, other than voting rights, due by virtue of the possession of certain percentages of share capital.

#### **Effects that the introduction of increased voting rights would have on the Company's ownership structure**

As at the date of this Report, the Company is a subsidiary, pursuant to article 93 of the TUF, of HSE S.p.A. through ITH S.p.A., which holds a 52.814% stake in the share capital of the Company.

The Board of Directors proposes to introduce a voting rights increase coefficient such that each share that has belonged to the same subject for a period of not less than twenty-four months starting from the registration in the Special List will be granted a double vote.

In light of the above, in the event that ITH S.p.A. were to request an increase in voting rights with respect to its entire shareholding and no other shareholder were to ask for an increase in voting rights, at the end of the twenty-four months of continuous holding, ITH S.p.A. could exercise, overall, a percentage of voting rights equal to 69.122%.

\* \* \* \*

#### **Amendments to the Articles of association - Comparison schedule**

The following are the amendments to article 3 and the text of article 7 of the newly introduced Articles of association, with the consequent amendment of the heading of article 6.

| CURRENT TEXT | PROPOSED TEXT |
|--------------|---------------|
|--------------|---------------|

|  |  |
|--|--|
| <p style="text-align: center;"><b>Article 3.) Purpose</b></p> <p>The Company - with the purpose, in the first period of its existence, of researching and selecting potential acquisitions of shareholdings in other companies or potential forms of aggregation of the company itself – by means of merger – with other companies, excluding any investment consultancy reserved to particular subjects – carries out, following the merger by incorporation of Sesa S.p.A. into Made in Italy S.p.A. (the “Significant Transaction”), the following activities:</p> <p style="text-align: center;">(...omissis...)</p> | <p style="text-align: center;"><b>Article 3.) Purpose</b></p> <p>The Company’s purpose <del>– with the purpose, in the first period of its existence, of researching and selecting potential acquisitions of shareholdings in other companies or potential forms of aggregation of the company itself – by means of merger – with other companies, excluding any investment consultancy reserved to particular subjects – carries out, following the merger by incorporation of Sesa S.p.A. into Made in Italy S.p.A. (the “Significant Transaction”)</del>, is to carry out the following activities:</p> <p style="text-align: center;">(unchanged)</p>  |
| <p style="text-align: center;"><b>Article 6.) Share capital and shares.</b></p> <p style="text-align: center;">(...omissis...)</p>   | <p style="text-align: center;"><b>Article 6.) Share capital <del>and shares.</del></b></p> <p style="text-align: center;">(unchanged)</p>  |
| <p style="text-align: center;">(not present)</p>   | <p style="text-align: center;"><b>Article 7.) Shares</b></p> <p>Each ordinary share gives the right to one vote.</p> <p>Notwithstanding the preceding paragraph, each ordinary share shall carry a double vote (i.e., two votes for each share) if both of the following conditions are satisfied: (a) the share has belonged to the same person, by virtue of a right in rem entitling him to vote (full ownership with voting rights or bare ownership with voting rights or usufruct with voting rights) for a continuous period of at least twenty-four months; (b) the recurrence of the condition referred to in letter (a) above is certified by continuous registration, for a period of at least twenty-four months, in the special list specifically established and maintained by the Company in the forms and contents provided for in compliance with the applicable regulations (the “Special List”), as well as by a specific communication certifying ownership of the shares and referring to the date of expiry of the continuous period, issued by the intermediary in the forms and with the</p> |

effects provided for by the regulations in force.

The increase in voting rights does not apply to resolutions of the Shareholders' meeting concerning the determination of the remuneration of the members of corporate bodies, the approval of remuneration plans based on financial instruments and the approval of the remuneration policy prepared by the Board of Directors.

Shareholders wishing to benefit from the increase in voting rights must register in the Special List.

The subject who intends to obtain registration in the Special List must submit a special application in the forms provided for by the regulations in force, also attaching a communication, also issued in the forms provided for by the regulations in force, certifying the possession of the shares for which the increase in voting rights is requested.

The increase may also be applied for only part of the shares held by the holder. In the case of subjects other than natural persons, the application must specify whether the applicant is subject to direct or indirect control by third parties and the identification data of the parent company, if any.

The Special List is updated by the Company: (i) by the fifth trading day after the end of each calendar month; (ii) by the so-called *record date* provided for by the regulations in force in relation to the right to attend and vote at the Shareholders' meeting.

The acquisition of the increase in voting rights is effective from the first date between: (i) the fifth open market day of the calendar month following the calendar month in which the conditions required by the Articles of association for the increase in voting rights occurred; or (ii) the so-called *record date* of any shareholders' meeting, determined in accordance with current regulations, following the date in which the conditions required by the

**Articles of association for the increase in voting rights occurred.**

**The Company shall proceed with the cancellation from the Special List in the following cases:**

**(i) waiver, even partial, of the interested party; (ii) communication from the interested party or the competent intermediary pursuant to current legislation proving that the conditions for the increase in voting rights or the loss of ownership of the in rem right qualifying the voting right and/or the relative voting rights no longer apply; (iii) ex officio, when the Company is informed of the occurrence of facts that result in the loss of the conditions for the increase in voting rights or the loss of ownership of the in rem right qualifying the voting right and/or the relative voting rights.**

**The increase in voting rights shall be cancelled:**

**a) in the case of transfer for consideration or free of charge of the share, it being understood that “transfer” also means the giving of a pledge, usufruct or other lien on the share when this results in the loss of voting rights by the shareholder. In the event of transfer for consideration or free of charge of only part of the shares with increased voting rights, the transferor retains the increased voting rights on shares other than those transferred;**

**b) in the event of direct or indirect transfer of controlling interests in companies or entities that hold shares with increased voting rights above the threshold provided for in article 120, paragraph 2 of the TUF (the “Change of Control”).**

**The increase in voting rights:**

**a) is retained in the event of succession by reason of death in favour of the heir and/or legatee;**

**b) is retained in the event of a merger or de-**

**merger of the holder of the shares in favour of the company resulting from the merger or the beneficiary of the demerger;**

**c) is extended proportionally to newly issued shares in the event of a capital increase pursuant to article 2442 of the Italian Civil Code, of a capital increase by means of new contributions made in the exercise of option rights, in the event of the exercise of conversion rights connected with convertible bonds;**

**d) may be assigned to shares assigned in exchange for the shares to which the increased voting right is attributed, in the event of a merger or demerger of the Company, if this is provided for in the relevant transaction;**

**e) is retained in the event of a transfer from one portfolio to another of UCIs managed by the same entity;**

**f) is retained in the case of a transfer free of charge; (i) under a family agreement; (ii) to an entity such as, for example, a foundation, of which the transferor himself is the founder; (iii) to a trust of which the transferor himself and/or his heirs are trustees and/or beneficiaries;**

**g) where the participation is attributable to a trust, it is retained in the event of a change in the trustee.**

**In the cases referred to in points (c) and (d) of the previous paragraph, the new shares acquire the increased voting rights: (i) for newly issued shares due to the holder in relation to shares for which the increase in voting rights has already vested, from the moment of registration in the Special List, without the need for a further period of continuous ownership; (ii) for newly issued shares due to the holder in relation to shares for which the increase in voting rights has not already vested (but is in the process of becoming vested), from the moment of completion of the period of eligibility calculated from the original registration in the Special List.**

**The right of the person who has the increased**

|  |   |
|--|---|
|  | <p><b>voting right to renounce at any time irrevocably (in whole or in part) the increase in voting rights is always recognised, by means of a written communication to be sent to the Company through the competent intermediary in accordance with the regulations in force, it being understood that the increase in voting rights may be acquired again with respect to the shares for which it has been renounced with a new entry in the Special List and the full period of continuous membership of not less than twenty-four months.</b></p> <p><b>The increase in voting rights is also taken into account for the determination of the quorums, both to convene and pass resolutions, of shareholders’ meetings that make reference to percentages of share capital, but it has no effect on the rights, other than voting rights, due by virtue of the possession of certain percentages of share capital.</b></p> <p><b>For the purposes of this article, the concept of control is that provided for by the regulations governing listed issuers pursuant to article 93 of the TUF.</b></p> |
|--|---|

**Decision-making procedure followed in formulating the proposal for amendments to the Articles of association**

The proposal for amendments to the Articles of association referred to in this Report was **unanimously** approved by the Board of Directors on 14 July 2020. The reasons for this positive assessment are expressed in the preceding paragraphs of this Report.

**Right of withdrawal pursuant to art. 2437 of the Civil Code**

The Board specifies that, pursuant to article 127-quinquies, paragraph 6, TUF, the amendments to the Articles of association proposed and illustrated in this Report will in no way give rise to the right of withdrawal provided for in article 2437 of the Italian Civil Code for shareholders who have not contributed to the resolutions concerning these amendments.

\* \* \* \*

**Resolution proposal**

Having said that, we submit the following resolution proposal for your approval:

*“The Shareholders’ meeting of Sesa S.p.A. held in extraordinary session – having heard and approved the information provided by the Board of Directors -*

*RESOLVES*

*1- to amend article 3 of the Articles of association as follows:*

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

- wholesale and retail trade in computers, their accessories and parts, as well as equipment and programs for computer science in general; with related installation;*
- the development of computer programs and business organization;*
- the activity of agent and sales representative for IT and office goods and products;*
- the production of manuals for the use of computers; the processing and input of images and texts on behalf of third parties;*
- the maintenance and repair of computers and computer equipment in general;*
- the assembly of computers and/or parts thereof;*
- the rental of computers and computer equipment in general;*
- the performance of services relating to the accounting and administrative business organisation, including data processing activities on behalf of third parties relating to the management of the business;*
- the provision of services relating to the organisation of the financial structure, the company's management control system and marketing;*
- the provision of business organisation and management services, training and managerial and professional training;*
- the performance of analysis, evaluation and setting up of IT and computer systems for the electronic processing of data and the promotion of studies and research in the computer field.*

*All this with the exclusion of activities reserved by law to members of professional bodies, those for the exercise of which a specific administrative authorization is required, and activities to be carried out exclusively by particular subjects.*

*The Company may carry out its activities both in Italy and abroad.*

*The Company may carry out all commercial, movable and immovable property transactions pertaining to the corporate purpose; in order to achieve the corporate purpose, it may also acquire interests, quotas, holdings, including shareholdings, in other companies or entities with related or similar purposes, as well as provide endorsements, sureties and guarantees in general also in favour of third parties; all this, however, with the exclusion of financial assets reserved to the public.*

*2 - to approve and adopt the increase in the voting rights within the terms proposed by the Board of Directors and for the effect of:*

*(i) introducing a new article 7 of the Articles of association as follows:*

*Article 7.) Shares*

*Each ordinary share gives the right to one vote.*

*Notwithstanding the preceding paragraph, each ordinary share shall carry a double vote (i.e., two votes for each share) if both of the following conditions are satisfied: (a) the share has belonged to the same person,*

by virtue of a right in rem entitling him to vote (full ownership with voting rights or bare ownership with voting rights or usufruct with voting rights) for a continuous period of at least twenty-four months; (b) the recurrence of the condition referred to in letter (a) above is certified by continuous registration, for a period of at least twenty-four months, in the special list specifically established and maintained by the Company in the forms and contents provided for in compliance with the applicable regulations (the “Special List”), as well as by a specific communication certifying ownership of the shares and referring to the date of expiry of the continuous period, issued by the intermediary in the forms and with the effects provided for by the regulations in force.

The increase in voting rights does not apply to resolutions of the Shareholders’ meeting concerning the determination of the remuneration of the members of corporate bodies, the approval of remuneration plans based on financial instruments and the approval of the remuneration policy prepared by the Board of Directors.

Shareholders wishing to benefit from the increase in voting rights must register in the Special List.

The subject who intends to obtain registration in the Special List must submit a special application in the forms provided for by the regulations in force, also attaching a communication, also issued in the forms provided for by the regulations in force, certifying the possession of the shares for which the increase in voting rights is requested.

The increase may also be applied for only part of the shares held by the holder. In the case of subjects other than natural persons, the application must specify whether the applicant is subject to direct or indirect control by third parties and the identification data of the parent company, if any.

The Special List is updated by the Company: (i) by the fifth trading day after the end of each calendar month; (ii) by the so-called record date provided for by the regulations in force in relation to the right to attend and vote at the Shareholders’ meeting.

The acquisition of the increase in voting rights is effective from the first date between: (i) the fifth open market day of the calendar month following the calendar month in which the conditions required by the Articles of association for the increase in voting rights occurred; or (ii) the so-called record date of any shareholders’ meeting, determined in accordance with current regulations, following the date in which the conditions required by the Articles of association for the increase in voting rights occurred.

The Company shall proceed with the cancellation from the Special List in the following cases:

(i) waiver, even partial, of the interested party; (ii) communication from the interested party or the competent intermediary pursuant to current legislation proving that the conditions for the increase in voting rights or the loss of ownership of the in rem right qualifying the voting right and/or the relative voting rights no longer apply; (iii) ex officio, when the Company is informed of the occurrence of facts that result in the loss of the conditions for the increase in voting rights or the loss of ownership of the in rem right qualifying the voting right and/or the relative voting rights.

The increase in voting rights shall be cancelled:

(a) in the case of transfer for consideration or free of charge of the share, it being understood that “transfer” also means the giving of a pledge, usufruct or other lien on the share when this results in the loss of voting rights by the shareholder. In the event of transfer for consideration or free of charge of only part of the shares with increased voting rights, the transferor retains the increased voting rights on shares other than those transferred;

b) in the event of direct or indirect transfer of controlling interests in companies or entities that hold shares with increased voting rights above the threshold provided for in article 120, paragraph 2 of the TUF (the “Change of Control”).

The increase in voting rights:

a) is retained in the event of succession by reason of death in favour of the heir and/or legatee;

b) is retained in the event of a merger or demerger of the holder of the shares in favour of the company resulting from the merger or the beneficiary of the demerger;

c) is extended proportionally to newly issued shares in the event of a capital increase pursuant to article 2442 of the Italian Civil Code, of a capital increase by means of new contributions made in the exercise of option rights, in the event of the exercise of conversion rights connected with convertible bonds;

d) may be assigned to shares assigned in exchange for the shares to which the increased voting right is attributed, in the event of a merger or demerger of the Company, if this is provided for in the relevant transaction;

e) is retained in the event of a transfer from one portfolio to another of UCIs managed by the same entity;

f) is retained in the case of a transfer free of charge; (i) under a family agreement; (ii) to an entity such as, for example, a foundation, of which the transferor himself is the founder; (iii) to a trust of which the transferor himself and/or his heirs are trustees and/or beneficiaries;

g) where the participation is attributable to a trust, it is retained in the event of a change in the trustee.

In the cases referred to in points (c) and (d) of the previous paragraph, the new shares acquire the increased voting rights: (i) for newly issued shares due to the holder in relation to shares for which the increase in voting rights has already vested, from the moment of registration in the Special List, without the need for a further period of continuous ownership; (ii) for newly issued shares due to the holder in relation to shares for which the increase in voting rights has not already vested (but is in the process of becoming vested), from the moment of completion of the period of eligibility calculated from the original registration in the Special List.

The right of the person who has the increased voting right to renounce at any time irrevocably (in whole or in part) the increase in voting rights is always recognised, by means of a written communication to be sent to the Company through the competent intermediary in accordance with the regulations in force, it being understood that the increase in voting rights may be acquired again with respect to the shares for which it has been renounced with a new entry in the Special List and the full period of continuous membership of not less than twenty-four months.

The increase in voting rights is also taken into account for the determination of the quorums, both to convene and pass resolutions, of shareholders' meetings that make reference to percentages of share capital, but it has no effect on the rights, other than voting rights, due by virtue of the possession of certain percentages of share capital.

For the purposes of this article, the concept of control is that provided for by the regulations governing listed issuers pursuant to article 93 of the TUF.

(ii) amend the heading of Article 6 of the Articles of association as follows: "Share capital";

(iii) renumber accordingly the articles following the new Article 7 and the internal references to other articles in the Articles of association;

3- to grant a mandate to the Board of Directors, with the right to sub-delegate, for the possible adoption of a regulation for the management of the Special List referred to in art. 143-quater of the Issuers' Regulation, which regulates the procedures for its registration, maintenance and updating in compliance with the applicable rules and regulations and in any case such as to ensure the timely exchange of information between shareholders, issuer and intermediary and for the appointment of the person in charge of maintaining the Special List;

4- to grant the Board of Directors, with the power of sub-delegation, all the widest powers necessary or appropriate to implement the above resolution and to fulfil all the obligations provided for by the regulations in force at the time, as well as to carry out the acts and negotiations necessary or appropriate for this purpose, including, by way of example, those relating to:

- *the management of relations with any competent body and/or Authority;*
- *the fulfilment of all legal formalities, with the right to make additions, amendments and deletions of a formal and non-substantial nature to the resolution adopted today that may be necessary or in any case required even at the time of registration in the competent Register of Companies”.*

Empoli, 14 July 2020

For the Board of Directors  
The Chairman Paolo Castellacci