

MEMORANDUM OF ASSOCIATION

NAME

Article 1.

A joint-stock company is hereby established under the name "DOLOMITI ENERGIA HOLDING S.p.A." abbreviated as "DEH S.p.A."

REGISTERED OFFICE

Article 2.

The Company's registered office is in Rovereto (Trento). Administrative and operational offices, branches, agencies, and representative offices may be established and closed, in accordance with the law, both in Italy and abroad.

DURATION

Article 3

The duration of the company is set until December 31, 2050 (thirty-first of December two thousand and fifty). This term may be brought forward or extended by resolution of the shareholders' meeting, in accordance with the law.

CORPORATE PURPOSE

Article 4

The purpose of the Company is to organize the technical, economic, financial, and human resources for the design, construction, and management of plants, as well as the assumption, management, and operation of services in the energy, environmental, and telecommunications sectors, in the municipalities of the Trentino-Alto Adige region and in any other location of interest, including abroad.

These activities may be carried out either on its own behalf or on behalf of third parties.

The Company achieves its corporate purpose by operating both directly and through subsidiaries and/or affiliates; therefore, the holding of shares, including majority shares, in other service companies is an integral part of the corporate purpose, within the limits and in compliance with the relevant regulations.

In particular, the Company's scope of operations includes, but is not limited to, activities and services related to:

the entire water cycle, including chemical, physical, and bacteriological analysis and related sales activities;

the purchase, import, production, transport, distribution, measurement, and sale of electricity;

the purchase, import, storage, distribution, and sale of combustible gases, heat, and energy fluids in general;

the collection, transport, and disposal of solid urban, special, and hazardous waste;

roads, parking lots, and other local infrastructure;

the protection and restoration of the environment, and related flood defence and hydraulic works;

environmental hygiene;

air conditioning, climate control, and heating services, including the operation and maintenance of boilers;
the management of third-party boilers and air conditioning systems;
global services for public and private entities;
the transport of goods, including on behalf of third parties;
telecommunications;
the marketing of products and services related to the above activities;
any other public service, even if not of industrial significance.

The Company may produce, process, and market items related to its corporate purpose, including bottled water for human consumption.

In the sectors of interest to it, the Company promotes and implements organizational models for the management of the various phases of the industrial processes mentioned above.

In order to achieve its corporate purpose and contribute to the socioeconomic development of the communities located in the territory, the Company may:

carry out all industrial, commercial, financial, securities, and real estate transactions connected with it and/or deemed useful;

issue sureties and collateral guarantees, take out loans, acquire assets under financial leases, acquire, transfer, and exploit industrial property rights, patents, and inventions, and acquire, in any form, shareholdings and interests in other companies and collateral or related enterprises, whether already established or in the process of being established;

enter into collaboration agreements with universities, research institutes, and entities, and in general carry out any operation necessary or useful for achieving the corporate purpose; participate in tenders, possibly also in collaboration with other entities, form or join joint ventures and temporary business associations; operate in the transport and road haulage sector on behalf of third parties, either directly or by entrusting this activity to companies registered in the Register of Transporters on Behalf of Third Parties; promote and manage centres for the professional training of personnel in the sectors covered by the corporate purpose.

With regard to the design and construction of works and facilities instrumental to the exercise of its activities, the Company may operate within the limits permitted by current legislation.

SHARE CAPITAL

Article 5.

The share capital amounts to €411,496,169 (four hundred and eleven million, four hundred and ninety-six thousand, one hundred and sixty-nine) **and is divided into 411,496,169** (four hundred and eleven million, four hundred and ninety-six thou-

sand, one hundred and sixty-nine) **ordinary shares with a nominal value of €1.00 each. - (one) each.**

The company may not issue the relevant securities. Shareholder status is proven by entry in the shareholders' register, and real restrictions on shares are established by entry in the same register.

Contributions may be made in cash, in kind, or in credits in accordance with the law.

The Company may issue bonds and convertible bonds.

The company may collect funds from shareholders in accordance with the limits set out in Legislative Decree No. 385 of September 1, 1993, the resolution of the Interministerial Committee for Credit and Savings dated March 3, 1994, published in the Official Gazette of the Republic on March 11, 1994, and any other subsequent amendments and additions.

Where permitted by law, all loans and subsidies from shareholders to the company shall be interest-free and non-onerous, unless otherwise decided by the shareholders' meeting.

SHARES

Article 6

Shares are indivisible.

Shares are registered.

Each share entitles the holder to one vote.

Shareholder status implies acceptance of the Memorandum of association and these Bylaws, as well as all resolutions of the shareholders' meeting, even those prior to the purchase of the shares.

PAYMENT FOR SHARES

Article 7

Payments for subscribed shares must be made in the manner and within the terms established by the Board of Directors.

In the event of future increases in share capital, the payment for subscribed shares may be made, including through the contribution of credits and/or assets in kind.

TRANSFER OF SHARES, CONVERTIBLE BONDS, AND OTHER RIGHTS RELATING TO SHARES

Article 7-bis.

7-bis.1. Shares, convertible bonds, option rights relating thereto, and rights in rem over the same other than security rights (hereinafter the "Securities and Rights") are transferable in accordance with the provisions of this Article 7-bis.

7-bis.2. For the purposes of this article:

(a) Affiliate means: (i) the entities directly or indirectly controlling that entity (if an entity or company); (ii) the entities or companies directly or indirectly controlled by that Entity; or (iii) entities or companies directly or indirectly controlled by the entities referred to in (i);

(b) "control" means, when referring to a company, the ownership, directly or through Affiliates, of the majority of votes exercisable at the meeting that elects the management body;

and the terms 'controlling' and "controlled" shall be interpreted consistently;

(c) "transfer" means all acts of disposal, transfer, and/or disposition, inter vivos, in the broadest sense of the term, including, by way of example, exchange, contribution, payment in kind, donation, establishment of usufruct and/or other real rights other than security rights, including those free of charge and/or involving an undetermined, non-monetary or non-fungible consideration, as well as transfers resulting from any corporate transaction, resolution or act (merger, demerger, liquidation, etc.);

(d) "Independent Expert" means an auditing firm or an investment bank of primary standing, independent of the shareholders and the Company, appointed jointly by the Transferring Shareholder and the Dissenting Shareholders by mutual agreement or, failing agreement within 15 days of the request by any of the interested parties, appointed by the President of the Court where the Company has its registered office, at the request of any of the interested parties but in consultation with the other parties.

(e) "Fair Market Value" means the consideration that an independent third party would pay in an acquisition under market conditions, taking into account any minority discount or majority premium that may apply.

(f) "Proportionate Share" means a share proportional to the share of capital held by each shareholder.

(g) "Entity" means any person (whether natural or legal), body, corporation, partnership, association, organization with (or without) legal personality and any other legal entity.

7-bis.3. The Securities and Rights may not be transferred to third parties who are not shareholders unless they have been offered in advance on a pre-emptive basis to all other shareholders, who shall have the right to purchase them on a pre-emptive basis, at the price and on the terms of payment indicated in the Offer (as defined below) (any other contractual agreement being irrelevant for the purposes of exercising the right of first refusal) or, if the conditions are met, at Fair Market Value, in proportion to the Relevant Share and with the right of accretion between them, in accordance with the procedure and terms set out in this Article 7-bis (the "Right of First Refusal") .

The transfer of treasury shares by the Company is not subject to the Right of First Refusal unless the shareholders' meeting that authorized it expressly provides otherwise.

7-bis.4. Transfers to Affiliates are not subject to Preemption provided that:

(a) The shareholding structure of the transferee Affiliate (the Transferee Affiliate), and of any Affiliate through which the transferring shareholder indirectly controls the Transferee Affiliate, is transparent at all times and can be verified

in public registers; and

(b) The transfer agreement is conditionally resolved upon the termination of the affiliation relationship between the transferring shareholder and the Transferee Affiliate.

7-bis.5. If (i) the affiliation relationship between the transferring shareholder and the Transferee Affiliate ceases to exist and the transferring shareholder has not regained possession of the transferred shares within 30 days, or if (ii) the shareholding structure of the Transferee Affiliate, and/or of any Affiliate through which the transferring shareholder indirectly controls the Transferee Affiliate, is not transparent and does not appear in public registers, the shares of the Transferee Affiliate may be redeemed in whole or in part, pursuant to Article 2437-sexies of the Italian Civil Code, by the company within 180 days of becoming aware of the circumstance that justifies the exercise of the right of redemption.

7-bis.6. Each shareholder or holder of convertible bonds who intends to transfer Securities and Rights (the "Transferring Shareholder") shall notify the Chairman of the Board of Directors of the offer to shareholders to purchase such Securities and Rights on a pre-emptive basis (the "Offer"), indicating therein:

(a) the price, or, if the transfer is free of charge or for a non-fungible, undetermined, or non-monetary consideration, the price corresponding to the Fair Market Value of the Securities and Rights transferred;

(b) the prospective purchaser and the ultimate beneficiary;

(c) the terms and conditions of payment;

and attaching a copy of the sales contract or purchase proposal received from the third-party purchaser.

The Offer may not be subject to terms and/or conditions (except for any authorizations required by law) and shall be considered an irrevocable contractual offer of sale.

A joint Offer from multiple shareholders is not permitted.

7-bis.7. The Chairman shall notify the shareholders of the Offer within 5 days of its receipt.

7-bis.8. Within 60 days of receiving the Offer, each shareholder may notify the Chairman of the Board of Directors of the exercise of the Right of First Refusal (the "Exercise of the Right of First Refusal").

The Exercise of the Right of First Refusal must contain:

(a) an indication of the Securities and Rights for which the Right of First Refusal is exercised;

(b) if the Right of First Refusal has been exercised for the entire Relevant Share, the Exercise of the Right of First Refusal may also include the exercise of the Right of First Refusal (the "Exercise of the Right of First Refusal on Unexercised Securities and Rights") on the Securities and Rights for which the Right of First Refusal is not exercised by the other

shareholders (the "Unexercised Securities and Rights") indicating their maximum amount (the "Unexercised Securities and Rights Optioned");

(c) acceptance or contestation of the Fair Market Value indicated in the Offer and, in the event of contestation, indication of the Fair Market Value deemed correct.

The exercise of the Right of First Refusal may not be subject to terms or conditions (except for any authorizations required by law) and shall be irrevocable until the procedure provided for in this Article 7-bis has been completed.

7-bis.9. If, by the deadline for exercising the Right of First Refusal, the Right of First Refusal has not been exercised on all the Securities and Rights covered by the Offer, the Chairman of the Board of Directors shall, within 5 days of the expiry of that deadline, offer the Unexercised Securities and Rights for which the Right of First Refusal has not been exercised (the "Residual Unexercised Securities and Rights") to shareholders who have notified the exercise of the Right of First Refusal on the Unexercised Securities and Rights (the "Residual Unexercised Securities and Rights Offer"), who shall be entitled to purchase them in proportion to the Unexercised Securities and Rights actually assigned to each of them and with the right of accretion among them.

7-bis.10. Each shareholder receiving the Offer for Residual Unexercised Securities and Rights may, within 15 days of receipt thereof, notify the Chairman of the Board of Directors of their irrevocable and unconditional commitment to purchase all Residual Unexercised Securities and Rights (the "Exercise of Preemption on Residual Unexercised Securities and Rights") that will be allocated to them in the amount resulting from the application of the following formula:

$T = (A \times B : C)$ where

T = the Residual Unexercised Securities and Rights to be allocated to each shareholder who has notified the Exercise of Preemption on the Residual Unexercised Securities and Rights.

A = the total Residual Unexercised Securities and Rights.

B = Unexercised Securities and Rights to be assigned to the shareholder following the Exercise of the Right of First Refusal.

C = the totality of the Unexercised Securities and Rights to be assigned to shareholders who have notified the Exercise of the Right of First Refusal on the Remaining Unexercised Securities and Rights.

7-bis.11. At the end of the procedure referred to in this article, the Preemption Right must have been exercised on all Securities and Rights covered by the Offer and, without prejudice to the provisions of articles 7-bis.13 and 7-bis.14, at the same price and under the same payment terms contained in the Offer, under penalty of ineffectiveness.

7-bis.12. Within 90 days of receipt of the Offer, the Chairman

of the Board of Directors shall notify the Transferring Shareholder and the shareholders who have exercised the Right of First Refusal:

(a) of the failure to exercise the Right of First Refusal, or
(b) of the correct exercise of the Right of First Refusal and the Securities and Rights due to each shareholder who has exercised the Right of First Refusal, to be assigned in the following order:

(i) The Securities and Rights covered by the Offer shall be assigned to the shareholders who have notified the Exercise of the Right of First Refusal in proportion to their Shareholding; thereafter

(ii) Any Unexercised Securities and Rights will be assigned to shareholders who have notified the Exercise of Preemption on Unexercised Securities and Rights in proportion to the percentage represented by the share of capital held out of the total capital held by shareholders who have notified the Exercise of Preemption on Unexercised Securities and Rights, or up to the number of Unexercised Securities and Rights Optioned if lower; after which

(iii) any Unexercised Securities and Rights that are not assigned pursuant to the previous point will be assigned to each shareholder who has notified the Exercise of Preemption on Unexercised Securities and Rights and who has not received the totality of the Optioned Securities and Rights indicated: (i) in the same percentage that the Unexercised Securities and Rights Optioned by that shareholder represent with respect to the total number of Unexercised Securities and Rights Optioned or (ii) up to the number of Unexercised Securities and Rights Optioned by that shareholder, if lower; after which (iv) the Remaining Unexercised Securities and Rights shall be assigned to the shareholders who have notified the Exercise of Preemption on the Remaining Unexercised Securities and Rights as indicated in Article 7-bis.10;

(c) and, without prejudice to the provisions of Article 7-bis.13, the price to be paid to the Transferring Shareholder.

7-bis.13. If the Offer contains an indication of the Fair Market Value of the Securities and Rights covered by the Offer and one or more shareholders have contested the correctness of the same in the Declaration of Exercise of Preemption (the "Dissenting Shareholders") in the absence of acceptance by the Transferring Shareholder of the Fair Market Value indicated in the Declarations of Exercise of Preemption, the Pre-emption shall be deemed to have been exercised by the Dissenting Shareholders at the Fair Market Value determined by the Independent Expert.

7-bis.14. The Transferring Shareholder has the right to accept the Fair Market Value indicated in the Preemption Exercise Declarations with reference only to some Dissenting Shareholders and, in this case, the Preemption shall be deemed to have

been exercised at the Fair Market Value determined by the Independent Expert only with reference to the Dissenting Shareholders for whom the indicated Fair Market Value has not been accepted by the Transferring Shareholder.

7-bis.15. The Independent Expert shall:

- (a) act as a contractual expert
- (b) determine the Fair Market Value of the Securities and Rights subject to the Offer:
 - (i) on the basis of these Articles of Association;
 - (ii) according to the business valuation criteria normally applied in similar transactions;
 - (iii) at a value between the lowest value indicated by the Dissenting Shareholders in the Declaration of Exercise of Preemption and the value indicated in the Offer;
- (c) shall ensure that the adversarial process is respected;
- (d) shall justify its decisions;
- (e) subject to the assumption of an appropriate confidentiality undertaking, shall have access to the Company's books and accounting records and to any information necessary for the performance of its duties;
- (f) shall make its determinations within 60 days of accepting the assignment

7-bis.16. The costs of the Independent Expert shall be borne by the parties concerned as decided by the Independent Expert on the basis of their respective losses.

7-bis.17. The decisions of the Independent Expert shall be final and binding on the parties concerned and shall not be subject to appeal (except in cases of fraud, violence, and/or mathematical error).

7-bis.18. In the event of the correct exercise of the Right of First Refusal, the transfer of the Securities and Rights covered by the Offer and the payment of the price due at the same time in accordance with the Offer shall take place before a Notary Public in the district where the Company has its registered office, designated by the Chairman of the Board of Directors, and communicated to the Transferring Shareholder and to the shareholders who have exercised the Right of First Refusal at least 10 days in advance, within 30 (thirty) days of the expiry of the deadline referred to in the article 7.12, or with reference to the Securities and Rights subject to the Declaration of Exercise of Preemption by Dissenting Shareholders for which the Fair Market Value indicated has not been accepted by the Transferring Shareholder, within 20 days of the Fair Market Value being ascertained by the Expert.

7-bis.19. If the notice of the correct exercise of the Right of First Refusal on all the Securities and Rights covered by the Offer is not received by the Transferring Shareholder within the deadline referred to in Article 7-bis.12, the Transferring Shareholder shall be free to transfer the Securities and Rights covered by the Offer exclusively to the third

party indicated therein, provided that the transfer is completed at a price not lower than and on terms and conditions of payment not more favourable to the third-party purchaser than those indicated in the Offer, within 60 (sixty) days of receipt of the notification of non-exercise of the Right of First Refusal referred to in Article 7-bis.12. If the transfer to the third-party purchaser is not completed within the aforementioned period of 60 (sixty) days and the Transferring Shareholder still intends to proceed with the transfer, the pre-emption offer procedure must be renewed.

7-bis.20. All communications and offers referred to in this Article 7-bis shall be made by certified email or by registered letter with acknowledgment of receipt, to the addresses listed in the shareholders' register or by hand delivery.

7-bis.21. Members for whom no certified email address or registered address is listed in the shareholders' register shall be deemed to be domiciled at the Company, and communications shall be addressed to them at the Company.

7-bis.22. The terms referred to in this Article 7-bis shall be considered peremptory.

7-bis.23. Any transfer of Securities and Rights that takes place without respecting the shareholders' right of preemption in the manner specified above in this Article 7-bis shall be ineffective vis-à-vis the Company.

7-bis.24. This preemption clause may be amended or deleted by a resolution adopted by the majorities required for amendments to the Articles of Association.

7-bis.25. Shareholders who did not participate in the approval of resolutions concerning the introduction or removal of restrictions on the circulation of shares or their modification shall not have the right of withdrawal.

SHAREHOLDERS' MEETING

Article 8.

Shareholders' meetings are ordinary and extraordinary.

They may also be convened outside the registered office, provided that they are within the province and in places that are easily accessible by car.

The Ordinary Shareholders' Meeting is responsible for:

- 1) approving the financial statements;
- 2) appointing and dismissing the Chairman, Vice-Chairman, and Directors;
- 3) appointing the Chairman of the Board of Statutory Auditors, the Statutory Auditors, and the person responsible for accounting control;
- 4) determining the remuneration of the Directors and the Board of Statutory Auditors;
- 5) deciding on the liability of Directors and Statutory Auditors;
- 6) deciding on other matters assigned by law to the competence of the meeting, as well as on any authorizations required by

the Bylaws for the performance of acts by the directors. The Ordinary Shareholders' Meeting must be convened at least once a year, within 120 days of the end of the financial year. If the company is required to prepare consolidated financial statements and if particular requirements relating to the structure and purpose of the company so require, the Shareholders' Meeting may be convened within 180 days of the end of the financial year.

The extraordinary shareholders' meeting shall decide on amendments to the Articles of Association, the appointment, replacement, and powers of liquidators, and any other matter assigned to its competence by law. Pursuant to Article 2365, paragraph 2, of the Italian Civil Code and without prejudice to the application in this case of Article 2436 of the Italian Civil Code, the resolutions indicated in Article 15, letters d), e), f), g), h), and i) of these Bylaws are nevertheless assigned to the competence of the Board of Directors.

CONVENING OF THE SHAREHOLDERS' MEETING

Article 9.

The Shareholders' Meeting is convened by the Chairman of the Board of Directors, and in his absence or impediment, by the Vice-Chairman, by means of a notice communicated to the Shareholders by means that guarantee proof of receipt at least eight days before the date set for the meeting.

However, if the resolutions to be passed include the revocation or appointment of directors, proof of receipt must be provided at least fifteen days before the date set for the meeting.

The same notice may indicate another date for a possible second call. The notice of call must contain the date, time, and place of the meeting and the list of items to be discussed.

However, meetings not called as above are valid if the entire share capital is represented and the majority of the Directors and Statutory Auditors in office are present.

However, in this case, each of the participants may object to the discussion and prevent any decision on matters on which they do not consider themselves sufficiently informed.

PARTICIPATION IN THE MEETING

Article 10

Participation in the Meeting is governed by the provisions of the law in force.

Shareholders may be represented at the Shareholders' Meeting by their proxies, provided with a simple written proxy in accordance with the rules established by Article 2372 of the Italian Civil Code.

The Chairman of the Shareholders' Meeting is responsible for verifying the validity of individual proxies and, in general, the right to participate in the Shareholders' Meeting.

CHAIRMAN OF THE SHAREHOLDERS' MEETING

Article 11

The Meeting is chaired by the Chairman of the Board of Directors and, in the event of absence or impediment, by the Vice-Chairman. Failing this, the Chair is assumed by the oldest member of the Board in terms of age.

The Chairman of the Shareholders' Meeting shall appoint a Secretary, who need not be a shareholder, and, if necessary, two scrutineers from among the shareholders; when the minutes are drawn up by a Notary, the latter shall also act as Secretary.

RESOLUTIONS OF THE ORDINARY AND EXTRAORDINARY SHAREHOLDERS' MEETINGS

Article 12

The Ordinary Meeting and the Extraordinary Meeting are validly constituted and adopt their resolutions, in first and subsequent convocations, with the constitutive quorums and majorities provided for by the provisions of the law in force.

BOARD OF DIRECTORS

Article 13

The Company is managed by a Board of Directors composed of twelve members, including the Chairman, who may also be non-members, appointed for the first time by the articles of association and subsequently by the meeting, in accordance with the procedures set out in Article 14.

The members of the Board of Directors shall remain in office for three consecutive financial years or for a shorter period determined by the Shareholders' Meeting at the time of appointment and shall expire on the date of the Shareholders' Meeting called to approve the financial statements for the last financial year of their term of office. They may be re-elected.

If, during the financial year, one or more directors appointed in accordance with the first paragraph leave office, the Board of Directors shall replace them as soon as possible, in accordance with the procedures set out in Article 14 below, provided that the majority is always made up of directors appointed by the shareholders' meeting.

The co-opted directors shall remain in office until the next Shareholders' Meeting, which shall appoint directors to replace those who have ceased to hold office. The term of office of the directors thus appointed shall expire at the same time as the original term of office of those they have replaced. If, for any reason, the number of directors constituting a majority of the Board of Directors ceases to exist, the entire Board shall be dissolved. The directors shall remain in office until the appointment of the new Board, for the purposes of ordinary administration and the urgent convening of the Shareholders' Meeting for the election of new directors.

METHOD OF APPOINTMENT OF DIRECTORS

Article 14.

Directors shall be appointed by the Shareholders' Meeting, by open vote, on the basis of lists of candidates submitted by

shareholders, in accordance with the following requirements, under penalty of exclusion of the list:

shareholders who, individually or jointly, hold no less than 5 (five) % of the capital represented by ordinary shares with voting rights at the Shareholders' Meeting are entitled to submit a list; each list must be filed at the registered office, under penalty of forfeiture, within seven (7) days prior to the date set for the meeting in first call and be signed by the shareholder or shareholders who declare to submit it; each list must contain no less than seven (7) candidates, who must be indicated with their full details and listed by sequential number.

The candidate indicated with the first number on the list is a candidate for the position of Chairman of the Board of Directors.

The list must be accompanied by a signed declaration of each candidate's willingness to accept the position, in the event of election; each shareholder may submit or contribute to the submission of only one list, under penalty of exclusion of both. Shareholders who are in a controlling or affiliated relationship, pursuant to Article 2359 of the Italian Civil Code, with another shareholder are not permitted to submit a list other than that submitted by the controlled, controlling or affiliated shareholder, under penalty of exclusion of both; candidates for office may not stand on more than one list, under penalty of ineligibility.

The election of directors shall proceed as follows:

a) Each shareholder may vote for only one list. Shareholders who are in a controlling or affiliated relationship, pursuant to Article 2359 of the Italian Civil Code, with another shareholder are not permitted to vote for a list other than that submitted by the controlled, controlling or affiliated shareholder. Votes cast in contravention of this provision shall be invalid and shall not be counted.

b) The first seven directors shall be drawn from the list that has obtained the majority of the votes cast by the shareholders, in the order in which they are listed.

c) The remaining five directors shall be drawn from the other lists, each of which has obtained votes, provided that the number of votes attributed to them, expressed as a percentage, is at least equal to or greater than half of the percentage of capital required for the submission of the list.

To this end, the votes attributed to each list shall be divided progressively by one, two, three, four, and five, assigning the quotients thus obtained to each candidate on each list, according to the progressive number with which they are indicated on the list. A ranking list of all the candidates on the lists voted for, to whom the quotients have been assigned, shall then be drawn up, and the five who have obtained the highest quotients shall be elected. In the event of a tie in

the quotients, the candidate from the list that has not yet appointed a director or has appointed fewer directors shall be appointed.

If this criterion does not allow for a choice to be made, the candidate whose list has obtained the highest number of votes will be appointed. If this criterion also does not allow for a choice to be made, the decision will be referred to the shareholders' meeting for a ballot, by simple majority vote.

d) If only one list is submitted, the directors shall be appointed from that list, by resolution passed by the majorities required by law. If no list is submitted, and in any other case in which it is not possible to appoint all the directors by adopting the procedures set out in paragraphs b) and c) above, they or those of them who are to be appointed to the administrative body shall be elected by the shareholders' meeting, by resolution passed by the majorities required by law, on the basis of nominations submitted to the shareholders' meeting by each shareholder or by the board of directors. The candidate indicated at the top of the list that has obtained the majority of votes shall be elected Chairman of the Board of Directors. The candidate elected from a list other than the one that obtained the majority of votes, whose quotient of votes, attributed in the manner indicated in paragraph c), is greater than any other, shall be elected Vice Chairman of the Board of Directors. In the event of a tie, or if only one list or no list has been submitted, the Board of Directors shall appoint the Vice Chairman.

In the event of the termination, for any reason, of a director during his or her term of office, the Board of Directors called upon to replace him or her, if the terminated director was appointed from a list containing unelected candidates, shall replace him or her with the first of the aforementioned unelected candidates, after verifying his or her eligibility and willingness to accept the position. The subsequent election of directors, appointed pursuant to Article 2386 of the Italian Civil Code, shall take place by resolution of the Shareholders' Meeting in accordance with the above criterion. If this method of identifying the replacement director is not feasible because there are no unelected candidates on the list, only one list or no list has been submitted, or for any other reason, the Board of Directors shall replace the director and the Shareholders' Meeting shall appoint the replacement directors, regardless of the above criteria, with the majorities required by law.

If the director who has resigned is the Vice President of the Company, the Board of Directors shall appoint the new Vice President.

If the director who has resigned is the President of the Company, the Shareholders' Meeting shall appoint the new President, with the majorities required by law, after appointing

the director who has resigned from among the members of the fully reconstituted board.

POWERS OF THE BOARD OF DIRECTORS

Article 15.

The Board of Directors is vested with the broadest powers for the ordinary and extraordinary administration of the Company and has the power to perform all acts it deems appropriate for the implementation and achievement of the corporate purposes, subject to the limitations resulting from the Law or the By-laws.

The Board of Directors has the power to delegate part of its powers to:

a member of the board, who is assigned senior management and supervisory functions in relation to ordinary corporate activities and who, in relations with the company and third parties, shall assume the position of Chief Executive Officer, with the tasks and powers determined by the Board; one or more members of the board, in relation to specific activities or areas of activity or specific tasks, determining their duties and powers;

an Executive Committee, determining its duties and powers. If appointed, the Executive Committee shall consist of no more than five members and the Chairman, Vice Chairman, and Chief Executive Officer, if appointed, shall be members by right.

The Board of Directors has the power to appoint special attorneys and agents in general for the execution of certain acts or categories of acts.

The power of representation or signature may be conferred by the Board of Directors, for certain acts or categories of acts, on Executives or Managers.

The Board of Directors has exclusive jurisdiction over resolutions concerning, in addition to matters that cannot be delegated by law, the following matters reserved to it, even in the event of the establishment of delegated bodies:

- a) the adoption and amendment of the Company's industrial, financial, and strategic plans;
- b) the approval of budgets and interim financial statements;
- c) the assessment of the general performance of operations;
- d) amendments to the Articles of Association to comply with new regulations;
- e) resolutions for the merger by incorporation of companies, in the cases provided for in Articles 2505 and 2505bis of the Italian Civil Code;
- f) resolutions for the demerger of companies, in the cases provided for in Article 2506 ter of the Italian Civil Code;
- g) capital reduction in the event of a shareholder's withdrawal;
- h) the establishment of secondary offices;
- i) the indication of which directors, in addition to those indicated in these Bylaws, have the power to represent the com-

pany;

- j) the determination of general criteria for the management and coordination of the activities of subsidiaries;
- k) assessing the adequacy of the organizational, administrative, and accounting structure;
- l) the purchase or sale of shareholdings, companies, or business units involving investments or divestments whose value, gross of liabilities, exceeds 5% (five percent) of the net equity, as shown in the latest financial statements approved by the company;
- m) investment transactions, the assumption of loans or the granting of guarantees and any transaction not included in the industrial, financial and strategic plans already approved, when their value, gross of liabilities, exceeds 5% (five percent) of the net equity, as shown in the latest financial statements approved by the company;
- n) the appointment and dismissal of the general manager;
- o) all matters which, by virtue of the resolutions setting out the tasks and powers of the delegated bodies, remain reserved for the Board of Directors to decide upon.

CONVENING OF THE BOARD OF DIRECTORS

Article 16.

The Board of Directors shall be convened by the Chairman at least four times a year and whenever he deems it necessary or when requested in writing by at least one-third of its members or by the Board of Statutory Auditors.

The Board of Directors, which may only be convened in places easily accessible by motor vehicle, shall meet at the place indicated in the notice of meeting.

In the event of the absence or impediment of the Chairman, the meeting shall be convened by the Vice-Chairman and, if the latter is also absent, by the oldest member of the Board.

The notice of meeting, indicating the items to be discussed, shall be sent to each member of the Board and to each member of the Board of Statutory Auditors at least five days before the date set for the meeting.

The notice of meeting may be validly sent to each director by e-mail to the e-mail address expressly communicated in writing by the director upon taking office or subsequently, provided that, in the absence of the use of a certified e-mail system that provides proof of receipt, express confirmation of receipt is received from the recipient.

In urgent cases, the notice may also be delivered by telegram or fax, at least two days before the date of the meeting.

For each meeting, the Board shall appoint a Secretary, who may not be a member of the Board.

The Board may also meet and validly deliberate by means of telecommunications, provided that all participants can be identified with certainty; are able to participate and intervene in real time in the discussion of the topics addressed;

are able to receive, transmit, and view the documents necessary for participation in the meetings; and the Chairman and Secretary of the meeting are present in the same place to draw up and sign the minutes.

If the meetings of the Board of Directors are held by means of telecommunications, the Board of Directors shall be deemed to be held in the place where the Chairman of the meeting and the Secretary are located.

VALIDITY OF THE RESOLUTIONS OF THE BOARD OF DIRECTORS

Article 17.

The Board of Directors shall validly deliberate with the presence of the majority of the directors in office, by an absolute majority of those present.

In the event of a tie, the resolution voted in favour of by the Chairman shall prevail.

The resolutions of the Board of Directors shall be recorded in minutes signed by the Chairman and Secretary of the meeting and transcribed in a special book kept in accordance with the law.

DIRECTORS' REMUNERATION

Article 18

The members of the Board of Directors are entitled to remuneration, in addition to reimbursement of expenses incurred in the performance of their duties. Directors holding office are entitled to additional remuneration, determined by the Board of Directors after consulting the Board of Statutory Auditors. The Shareholders' Meeting shall determine the amount of remuneration to be paid to the Directors, may also allocate it in variable form, linked to the achievement of specific results, and has the power to indicate, for subsequent resolution by the Board of Directors, the maximum amount of remuneration for directors holding office. The Shareholders' Meeting also has the alternative option of determining the total amount of remuneration for all directors, including those holding special positions. In this case, the remuneration is determined by the Board of Directors, within the limits of this total amount, after consulting with the Board of Statutory Auditors.

REPRESENTATION OF THE COMPANY

Article 19

The general representation of the company, including in legal proceedings, is the responsibility of the Chairman of the Board of Directors or, in the event of his absence or impediment, the Vice Chairman of the Board of Directors and, separately, the Chief Executive Officer.

THE CHAIRMAN

Article 20

The Chairman of the Board of Directors is the legal representative of the Company.

The Chairman exercises the powers established by law and by these Articles of Association, as well as all the powers dele-

gated to him by the Board of Directors.

In the event of the Chairman's absence or impediment, the power of representation and signature shall be vested in the Vice Chairman and, if the latter is also impeded, in the Director who is the oldest in terms of age.

DIRECTORS' RESPONSIBILITIES

Article 21.

With reference to Article 11, paragraph 6, of Legislative Decree No. 472 of December 18, 1997, the Company also assumes, vis-à-vis public administrations or entities that manage taxes, the debt for penalties resulting from violations committed by the Company's representatives in the performance of their duties and within the limits of their powers.

This assumption of liability applies in cases where the representative has committed the violation without intent, and is in any case excluded when the person who committed the violation acted voluntarily to the detriment of the Company.

It is also excluded in cases where the fault has the particularly serious connotations defined in Article 5, paragraph 3, of the same Legislative Decree No. 472.

The particular seriousness of the fault is deemed to be proven when the tax courts, hearing the dispute, have ruled in a similar manner, or when the perpetrator of the violation acknowledges that the evidence provided by the investigating office or body is such as to make the gross non-compliance with basic tax obligations clear and indisputable.

BOARD OF STATUTORY AUDITORS

Article 22.

The Board of Statutory Auditors consists of three standing auditors, including the Chairman, and two alternate auditors, appointed from among those registered in the Register of Auditors.

The Auditors remain in office for three consecutive financial years and may be reappointed.

The remuneration to be paid to the Auditors is the minimum amount provided for in the professional fees in force.

The auditors must meet the requirements set forth in the applicable regulations.

The Board of Statutory Auditors monitors compliance with the law and the Bylaws, adherence to the principles of proper administration, and, in particular, the adequacy of the organizational, administrative, and accounting structure adopted by the company and its actual functioning. In addition, the Board of Statutory Auditors acts as the internal control and audit committee pursuant to Legislative Decree 39/2010, as subsequently amended and supplemented, exercising the powers and functions provided for therein.

STATUTORY AUDIT OF THE ACCOUNTS

Article 23.

The statutory audit of the accounts is carried out by an au-

ding firm or a statutory auditor meeting the requirements of the applicable regulations. The shareholders' meeting, after consulting the Board of Statutory Auditors, appoints the statutory auditor and determines the remuneration for the entire duration of the appointment.

The statutory audit engagement shall have a duration in accordance with the applicable regulations, expiring on the date of the shareholders' meeting called to approve the financial statements for the last financial year of the engagement.

The requirements, rights, duties, and prerogatives of the statutory audit firm or statutory auditor shall be governed by the applicable regulations.

MANAGER RESPONSIBLE FOR PREPARING THE COMPANY'S FINANCIAL REPORTS AND MANAGER RESPONSIBLE FOR SUSTAINABILITY REPORTING

Article 24.

Where the legal requirements are met, on the basis of the regulations in force at the time, the Board of Directors, upon the proposal of the Chief Executive Officer and subject to the mandatory but non-binding opinion of the control body, and with the majority provided for in these Articles of Association, is entitled to appoint both the Manager responsible for preparing the company's financial reports referred to in Article 154-bis, para. 1, of Legislative Decree No. 58 of February 24, 1998 ("TUF"), and the Manager responsible for sustainability reporting referred to in Article 154-bis, paragraph 5-ter, of the TUF, granting each of them adequate powers and means to perform the duties assigned to them by law, including those established by the same Article 154-bis of the TUF and the related implementing regulations applicable *pro tempore*.

The Manager responsible for preparing the company's financial reports must have specific skills in administration, control, accounting, financial statements, and accounting and financial reporting, and must meet the requirements set forth in the regulations in force at the time.

The Manager responsible for sustainability reporting must have specific skills in sustainability reporting and must meet the requirements set forth in the regulations in force at the time.

Once appointed, each manager remains in office for the period established by the Board of Directors at the time of appointment, and the appointment is renewable. The remuneration payable to each manager is determined by the Board of Directors at the time of appointment. The Board of Directors may, subject to the mandatory but non-binding opinion of the control body and with the majority provided for in these Bylaws, revoke the appointment of each manager and simultaneously appoint a new manager.

If the legal requirements are met, on the basis of the regulations in force at the time, the two aforementioned roles and appointments may be entrusted to the same person, without

prejudice to the Board of Directors' right to assign the powers and responsibilities referred to in paragraph 5-ter of Article 154-bis of the TUF and the regulations, including implementing regulations, *pro tempore* applicable to sustainability reporting, to a Manager other than the Manager responsible for preparing the company's financial reports, provided that he or she has the aforementioned specific skills in the field of sustainability reporting.

FINANCIAL YEAR AND FINANCIAL STATEMENTS

Article 25.

The financial year ends on December 31 of each year.

At the end of each financial year, the Board of Directors shall prepare the financial statements to be submitted to the Ordinary Shareholders' Meeting in accordance with the law.

DISTRIBUTION OF PROFITS

Article 26.

The net profits resulting from the annual financial statements, after a sum of not less than 5% (five percent) has been allocated to the legal reserve fund, in accordance with the law, shall be used in accordance with the resolutions that the Shareholders' Meeting shall deem appropriate to adopt from time to time, upon the proposal of the Board of Directors.

DISSOLUTION AND LIQUIDATION

Article 27.

If, at any time and for any reason, the Company is dissolved, the Shareholders' Meeting shall determine the terms of liquidation and appoint one or more liquidators, establishing their powers and remuneration.

ARBITRATION CLAUSE

Article 28.

All disputes that may arise between shareholders, between shareholders and the Company and its bodies, including during liquidation, concerning the interpretation and execution of these Bylaws and the corporate agreements and concerning corporate life in general, with the exception of those in which the law provides for the mandatory intervention of the public prosecutor, shall be referred to the judgment of a panel of three arbitrators appointed by the President of the Court having jurisdiction over the territory where the Company's registered office is located, at the request of the most diligent party.

The Arbitration Panel is authorized to judge in accordance with the law.

REFERENCE PROVISION

Article 29

For anything not expressly covered in these Bylaws, reference shall be made to the provisions contained in the Civil Code and special laws on the subject, in force at the time of application.

