

Formattato: Inglese (Stati Uniti)

# ENEL S.p.A. CORPORATE BYLAWS

#### Introductory Note

Text approved by the extraordinary Shareholders' Meeting of May 21, 2004, as amended:

- by the Board of Directors on October 21, 2004 (through the amendment of articles 6.2, 15.1, 18.1, 21.1, and 22.2);
- by the Board of Directors on March 30, 2005 (through insertion of article 5.8, now 5.5);
- by the extraordinary Shareholders' Meeting of May 26, 2005 (through the amendment of articles 5 and 14.3);
- by the extraordinary Shareholders' Meeting of May 26, 2006 (through the amendment of article 5 and insertion of article 20.4, now 20.5);
- by the Board of Directors on April 11, 2007 (through the amendment of article 25.2 and 25.5);
- by the extraordinary Shareholders' Meeting of May 25, 2007 (through the amendment of articles 5, 14.3, 14.5, and 20.4, now 20.5);
- by the Board of Directors on June 26, 2007 (through the amendment of article 25.1 and 25.2);
- by the extraordinary Shareholders' Meeting of June 11, 2008 (through the amendment of article 5);
- by the Board of Directors on February 3, 2009 (through the amendment of article 9.2);
- by the extraordinary Shareholders' Meeting of April 29, 2009 (through the amendment of article 5);
- by the Board of Directors on May 6, 2009 (through the amendment of article 5);
- by the Board of Directors on May 28, 2009 (through the amendment of article 5);
- by the extraordinary Shareholders' Meeting of April 29, 2010 (through the amendment of articles 9.2, 13.2, and 14.3, and insertion of article 31.1);
- by the Board of Directors on October 21, 2010 (through the amendment of articles 10.1, 11.1, 14.3, and 25.2 and abrogation of the article 31.1);
- by the Extraordinary Shareholders' Meeting of April 29, 2011 (through insertion of articles 11.3 and 20.3, and the amendment of articles 13.1 and 13.2);
- by the Extraordinary Shareholders' Meeting of April 30, 2012 (through the amendment of articles 14.3, 14.5, 25.1 and 25.2 and insertion of article 31);
- by the Extraordinary Shareholders' Meeting of May 22, 2014 (through the amendment of articles 13.2 and 14.3 and insertion of article 14-*bis*);
- by the Board of Directors on July 30, 2014 (through the amendment of articles 5.4, 5.5, 5.6, 5.7, 5.8, 5.9, 6.2, 14.1, 14.3, 14.5, 15.1, 17.1, 18.1, 18.2, 21.1 and 22.2);
- by the extraordinary Shareholders' Meeting of May 28, 2015 (through the amendment of article 14-*bis*).

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**Formattato:** Rientro: Sinistro: 0,75 cm, Nessun elenco puntato o numerato

## **Title I**

### **Incorporation – Company name – Registered office – Term**

#### **article 1**

- 1.1 The Company shall be called “ENEL - Società per azioni” and shall be governed by the rules of the present bylaws.

#### **article 2**

- 2.1 The registered office of the Company shall be located in Rome.

#### **article 3**

- 3.1 The Company shall exist until December 31, 2100 and its term shall be extendible one or more times by resolution of a Shareholders' Meeting.

## **Title II**

### **Corporate Purpose**

#### **article 4**

- 4.1 The purpose of the Company shall be to acquire and manage equity holdings in Italian or foreign companies and firms, as well as to provide such subsidiary companies and firms with strategic guidelines and coordination with regard to both their industrial organization and the business activities in which they engage. Through affiliates or subsidiaries the Company shall operate especially:
- a) in the electricity industry, including the activities of production, importation and exportation, distribution and sale, as well as transmission within the limits of existing legislation;
  - b) in the energy industry in general, including fuels, and in the field of environmental protection, as well as in the water sector;
  - c) in the communications, telematics and information-technology industries and those of multimedia and interactive services;
  - d) in network-based sectors (electricity, water, gas, district heating, telecommunications) or those which, in any case, provide urban services locally;
  - e) in other sectors:
    - in any way related to or connected with the activities carried out in the sectors mentioned above;
    - allowing the facilities, resources and expertise employed in the sectors mentioned above (such as, by way of example and without limitation: publishing, real estate and services to firms) to be enhanced and better utilized;
    - allowing the profitable use of the goods produced and the services provided in the sectors mentioned above;
  - f) in the carrying out of activities involving systems and installations design, construction, maintenance and management; the production and sale of

- equipment; research, consulting and assistance; as well as the acquisition, sale, marketing and trading of goods and services, all activities connected with the sectors mentioned above under a), b), c) and d).
- 4.2 In the interest of its affiliates or subsidiaries, the Company may also carry out directly any activity connected with or instrumental to its own business or that of its affiliates or subsidiaries themselves.
- To this end, the Company shall in particular see to:
- the coordination of the managerial resources of its affiliates or subsidiaries, including the carrying out of appropriate training initiatives;
  - the administrative and financial coordination of its affiliates or subsidiaries, effecting in their favour all appropriate transactions, including granting loans and, more in general, the framework and management of their financial activities;
  - the supply of other services in favor of its affiliates or subsidiaries in areas of specific business interest.
- 4.3 In order to attain its corporate purpose, the Company may also carry out all transactions that are instrumentally necessary or useful or at any rate related, such as, by way of example: the provision of collateral and/or personal guarantees for both its own and third-party commitments; transactions involving movables and real-estate and commercial operations; and anything else that is connected with its corporate purpose or that allows better use of its own facilities and/or resources or those of its affiliates or subsidiaries, with the exception of accepting monetary deposits from the public and providing investment services as defined by legislative decree n. 58 of February 24, 1998, as well as the activities referred to in section 106 of legislative decree n. 385 of September 1, 1993 insofar as they are also exercised vis-à-vis the public.

### **Title III**

#### **Capital Stock - Shares – Withdrawal – Bonds**

##### **article 5**

- 5.1 The nominal value of the Company's share capital amounts to 9,403,357,795 euro, divided into 9,403,357,795 ordinary shares, each with a par value of 1 euro.
- 5.2 The shares shall be registered and every share shall entitle the holder to one vote.
- 5.3 The mere fact of being a shareholder shall constitute acceptance of these bylaws.

##### **article 6**

- 6.1 Pursuant to section 3 of decree-law n. 332 of May 31, 1994, converted with revisions by Law n. 474 of July 30, 1994, no one, in whatever capacity, may own shares constituting more than 3% of the share capital, subject to the provisions of the law.
- This limit on share ownership shall be calculated taking into account the total shareholding of a controlling entity, whether a natural or legal person or corporation; of all directly or indirectly controlled entities, as well as of the entities under a common control; of affiliates as well as natural persons related by blood or

marriage until the second decree, including his or her spouse unless legally separated.

Control shall be deemed to exist, including with regard to persons or entities other than companies, in the cases provided for by section 2359, paragraphs 1 and 2, of the Civil Code. Affiliation shall be deemed to exist in the situations mentioned in section 2359, paragraph 3, of the Civil Code, as well as among persons or entities that, directly or indirectly, through subsidiaries other than investment management companies, enter into agreements - including those with third parties - regarding the exercise of voting rights or the transfer of shares of or interests in other companies, or any other agreements mentioned in section 122 of legislative decree n. 58 of February 24, 1998 with respect to third-party companies in the event that such agreements regard at least 10% of the voting stock if the companies concerned are listed or 20% if the companies concerned are not listed. Calculation of the aforesaid limit on stock ownership (3%) shall also take into account the shares held through fiduciaries and/or nominees, or in general through intermediaries.

Voting rights attributable to shares held in excess of the aforesaid limit may not be exercised and the voting rights of each of the parties concerned by the ownership limit will be reduced pro rata, unless a different prior indication has been jointly given by the shareholders concerned. A resolution passed with the votes of shares held in violation of the limit may be challenged in court under section 2377 of the Civil Code, provided that the resolution would not have been passed without the votes relating to shares held in violation of the limit.

The shares for which voting rights may not be exercised shall be counted, however, for the purpose of determining the quorum at Shareholders' Meetings.

#### **article 7**

- 7.1 Each shareholder is entitled to withdraw from the Company in the cases provided for by the law, except as otherwise provided for by Article 7.2.
- 7.2 There shall be no right of withdrawal in case of:
  - a) extension of the term of the Company;
  - b) introduction, modification or removal of limits on the circulation of the shares.

#### **article 8**

- 8.1 The issue of bonds shall be resolved by the Directors in accordance with the law.

### **Title IV Shareholders' Meetings**

#### **article 9**

- 9.1 Ordinary and extraordinary Shareholders' Meetings shall normally be held in the municipality where the Company's registered office is located. The Board of Directors may determine otherwise, provided the venue is in Italy.

- 9.2 An ordinary Shareholders' Meeting must be called at least once a year, to approve the financial statements, within one hundred and twenty days after the end of the accounting period, or within one hundred and eighty days, since the Company is obliged to draw up consolidated financial statements, or, in any case, when required by particular needs regarding the structure and the purpose of the Company.

**article 10**

- 10.1 The right to participate and to vote in Shareholders' Meetings shall be determined by the regulations in force.

**article 11**

- 11.1 All those entitled to vote may appoint a representative to act in their behalf in Shareholders' Meetings according to the provisions of law by means of a proxy issued in accordance with the procedures provided for by the regulations in force. The proxy may also be reported to the Company electronically by sending it to the special section of the Company's website specified in the notice of the Shareholders' Meeting. The same Meeting notice may also specify, in accordance with the regulations in force, additional ways of reporting the proxy electronically that may be used for the specific Shareholders' Meeting referred to in the aforesaid notice.
- In order to facilitate the collection of proxies from the shareholders who are employees of the Company and its subsidiaries and members of shareholder associations satisfying the requirements set by the regulations in force, facilities for communication and for the collection of proxies shall be made available to the aforesaid associations according to the terms and procedures agreed upon each time with their legal representatives.
- 11.2 Shareholders' Meetings shall be conducted according to a special regulation approved by a resolution of an ordinary Shareholders' Meeting.
- 11.3 The Board of Directors may provide that, with respect to single Shareholders' Meetings, those entitled to attend and to vote in the Shareholders' Meeting may participate in the Shareholders' Meeting by electronic means. In such case, the notice of the Meeting shall detail, also by reference to the Company's website, the above methods of participation.

**article 12**

- 12.1 Shareholders' Meetings shall be chaired by the Chairman of the Board of Directors or, if it happens that he or she is not available, by the Deputy Chairman if one has been appointed, or if both are absent, the meeting shall be chaired by a person designated by the Board, failing which the meeting shall elect its Chairman.
- 12.2 The Chairman of a Shareholders' Meeting shall be assisted by a Secretary (who need not be a shareholder) designated by the participants in the meeting, and may appoint one or more tellers.

#### **article 13**

- 13.1 Excepting as provided for by Article 20.2, meetings shall resolve on all matters authorized by law, as well as on those provided for by Article 20.3.
- 13.2 The Shareholders' Meeting, both in extraordinary and ordinary session, takes place, as a rule, on single call. The Board of Directors, if it deems it appropriate and by mentioning the reasons in the notice of call, may decide that both ordinary and extraordinary Shareholders' Meetings be held on several calls. The resolutions of the ordinary and extraordinary Shareholders' Meetings shall be passed with the voting majorities provided for by the law in each case, without prejudice to the majorities specifically provided for by Article 20.3.
- 13.3 The resolutions approved by a Shareholders' Meeting according to the law and these bylaws shall be binding upon all shareholders, even if they did not attend or voted against the resolution.

### **Title V**

#### **Board of Directors**

#### **article 14**

- 14.1 The Company shall be managed by a Board of Directors composed of no fewer than three and no more than nine members. A Shareholders' Meeting shall determine their number within the aforesaid limits.
- 14.2 The Board of Directors shall serve for a term of up to three accounting periods and its members shall be eligible for re-election.
- 14.3 The Directors shall be elected by a Shareholders' Meeting on the basis of slates presented by the shareholders and by the outgoing Board of Directors. Within each slate, the candidates are to be numbered progressively.
- Each slate must include at least two candidates possessing the requirements of independence established by the law, distinctly mentioning such candidates and listing one of them first on the slate.
- Slates which contain a number of candidates equal to or above three shall include candidates belonging to different genders, as indicated in the notice of the meeting, in order to ensure that the composition of the Board of Directors is compliant with the applicable laws on balance between genders.
- The slates are to be lodged at the registered office and published in accordance with the regulations in force.
- Each shareholder may present or participate in presenting only one slate and each candidate may be presented on only one slate under pain of ineligibility.
- Only those shareholders who, alone or together with other shareholders, own the minimum percentage of the share capital established by a regulation of the Consob are entitled to present slates.
- The declarations of the individual candidates, in which they accept their candidacies and certify, under their own responsibility, the inexistence of any cause of ineligibility or incompatibility, as well as the satisfaction of the requirements prescribed by applicable law and these bylaws for their respective offices, are to be lodged together with each slate.

The Directors elected must inform the Board of Directors without delay of the loss of the requirements mentioned at the end of the preceding paragraph, as well as of the occurrence of causes of ineligibility or incompatibility.

All those entitled to vote may vote for only one slate.

The procedure for electing the Directors is to be as follows:

- a) seven-tenths of the Directors to be elected, rounding down any fraction to the unit, shall be drawn from the slate that has obtained the most votes cast in the order in which they are listed on the slate;
- b) the remaining Directors shall be drawn from the other slates; for this purpose, the votes obtained by these slates shall be divided successively by one, two, three and so forth according to the number of Directors to be elected. The numbers obtained in this way shall be attributed to the candidates of such slates in the order in which they rank in the slate. The numbers thus attributed to the candidates of the various slates shall be arranged in decreasing order in a single ranking. The candidates who have obtained the highest numbers shall become Directors.

In the event that more than one candidate has obtained the same number, the candidate of the slate that has not yet elected a Director or that has elected the fewest Directors shall be appointed Director.

In the event that no Director has been elected yet from any of these slates or that the same number of Directors has been elected from each slate, the candidate of the slate that has obtained the most votes shall be appointed Director. If there is a tie in terms of both numbers assigned and votes obtained by each slate, the entire Shareholders' Meeting shall vote again and the candidate who obtains a simple majority of the votes will be appointed Director;

- c) for the purposes of the identifying the Directors to be elected, the candidates designated on the slates that have obtained a number of votes amounting to less than half of the percentage required for the presentation of the same slates shall not be taken into account;

c-bis) if, following the vote and the above procedure, the applicable laws on balance between genders are not complied with, candidates which would result to be elected in the various slates are disposed in one single decreasing ranking list, to be formed in compliance with the quotient system indicated under letter b). The candidate in such ranking list belonging to the most represented gender having the lowest quotient is therefore replaced with the first candidate of the less represented gender belonging to the same slate which would result not elected. In the event that in such slate there are no other candidates, the replacement here above is carried out by the Shareholders' meeting with the majorities provided for under the law, as provided for under the following point d) and in compliance with the principle of a proportional representation of minority shareholders in the Board of Directors.

In case of a tie between quotients, the replacement is made in favour of the candidate drawn from the slate which has obtained the highest number of votes.

If the replacement of the candidate of the most represented gender having the lowest quotient in the ranking list does not allow, in any case, to reach the minimum threshold provided for under the applicable laws on balance between



genders, the above said replacement procedure is carried out also with reference to the candidate belonging to the most represented gender having the second last quotient, and so forth, starting from the end of the ranking list.  
c-ter) the president of the meeting, at the end of the above procedures, declares the elected members;

d) for the appointment of the Directors who, for whatever reason, are not elected pursuant to the procedures specified above, the Shareholders' Meeting will resolve according to the majorities provided for by the law, ensuring in any case the presence of the necessary number of Directors possessing the requirements of independence established by the law, and the compliance with the applicable laws on balance between genders.

The slate-vote mechanism shall apply only when the entire Board of Directors is being elected.

14.4 Even during a Board's term, a Shareholders' Meeting may change the number of the members of the Board of Directors within the limits referred to in 14.1 above and proceed to elect them. The term of the Directors so elected is to end at the same time as that of the Directors in office.

14.5 Should one or more vacancies occur on the Board during the accounting period, steps shall be taken in accordance with section 2386 of the Civil Code. If one or more of the Directors leaving their offices vacant were drawn from a slate also containing unelected candidates, they shall be replaced by appointing, in progressive order, persons drawn from the slate to which the Director in question belonged, provided that said persons are still eligible and willing to accept the directorship. In any case, in replacing Directors who leave their offices vacant, the Board of Directors shall ensure the presence of the necessary number of Directors possessing the requirements of independence established by the law, and the compliance with the applicable laws on balance between genders. In the event that the majority of the offices of the Directors elected by the shareholders becomes vacant, the entire Board is to be deemed to have resigned and the Directors still in office must promptly call a meeting of the shareholders to elect a new Board.

#### **article 14-bis**

14-bis.1 The issue of a judgement, even if not final and without prejudice to the effects of rehabilitation, convicting a director of any of the offenses indicated below shall constitute grounds for ineligibility to or disqualification from the office of director, for cause and without entitlement to damages:

- a) offenses provided for under laws on banking, financial, securities, and insurance business and laws governing financial markets, securities and means of payment,
- b) offenses provided for under Title XI of Book V of the Italian Civil Code and Royal Decree No. 267 of March 16, 1942,
- c) offenses against the public administration, public credit, public property, public order, public economy or tax offences,
- d) offenses provided for under Article 51, paragraph 3-bis, of the Italian Criminal Procedural Code as well as Article 73 of the Decree of the President of the Republic of Italy No. 309 dated October 9, 1990.

- It also constitutes a ground for ineligibility to or disqualification for cause from the office of director, without entitlement to damages, the issue of a judgement of final conviction ascertaining the willful commission of public monetary damage.
- 14-bis.2. ~~A cause of ineligibility is also the issue of an order for committal for trial or an order for immediate trial for any of the offences indicated in paragraph 1, subparagraphs a), b), c) and d) above, absent a verdict of acquittal, even if not final, or the issue of a judgement of final conviction ascertaining the willful commission of public monetary damage. **Repealed**~~
- 14-bis.3 ~~The directors that during their term are served with order for committal for trial or an order for immediate trial for any of the offences indicated in paragraph 1, letters a), b), c) and d) above or with a final verdict of guilty for willful commission of public monetary damage must promptly inform the board of directors, which shall be bound by confidentiality duties. The board of directors at the first possible meeting, and in any case no later than ten days, after the acknowledgment of the issue of such orders and judgements of conviction, ascertains the existence of any of circumstances referred to above.~~
- ~~In case of positive verification, the director is disqualified with cause from office, without any right to be indemnified, unless the Board of Directors, within the abovementioned ten-days period, calls a meeting, to be held within the next following sixty days, in order to resolve upon the proposal of permanence of such director in office by reasoning the submission of the proposal with the preeminent interest of the Company to retain the Director. If the Board of Directors carries out the aforesaid verification after the closing of the financial year, the proposal is submitted to the meeting called to approve the relevant financial statements, in compliance with the applicable law provisions.~~
- ~~If the meeting does not approve the proposal of the Board of Directors, the director is automatically disqualified from office, with cause and without any right to be indemnified.~~
- Repealed**
- 14-bis.4 Without prejudice to the provisions of the paragraphs above, the chief executive officer who is subject to:
- a) imprisonment or
  - b) precautionary measures of preventive custody or house arrest as outcome of a proceeding started under Articles 309 or 311, second paragraph, of the Italian Criminal Procedural Code or at the elapse of the relevant time limit to start it,
- is automatically disqualified from office, with cause and without any right to be indemnified, and, as a consequence, his/her relevant delegated powers cease. Similarly, the chief executive officer is disqualified from office if addressed with other kind of precautionary measures that can no longer be appealed, if the Board of Directors believes that such measures make impossible for the chief executive officer to exercise his/her delegated powers.
- 14-bis.5 For the purposes of this clause, a plea bargain judgment pursuant to Article 444 of the Italian Criminal Procedural Code shall be equated to a judgment of conviction, except in case of extinguishment of the offense.
- 14-bis.6 For the purposes of this clause, where foreign laws shall apply, even if partially, the Board of Directors ascertains the existence of the circumstances mentioned herein through a judgment of substantial equivalence.

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**article 15**

- 15.1 If a Shareholders' Meeting has not elected a Chairman of the Board, the Board shall elect one of its members to that position. It may elect a Deputy Chairman, who shall stand in for the Chairman in the event of his or her unavailability.
- 15.2 Upon the Chairman's proposal, the Board shall appoint a Secretary, who need not have any connection with the Company.

**article 16**

- 16.1 The Board shall meet at the place designated in the notice whenever the Chairman or, in case the latter is unavailable, the Deputy Chairman deems necessary. The Board may also be convened in the ways provided for in Article 25.5 of these bylaws.  
The Board of Directors must also be convened when at least two Directors – or one if the Board consists of three members – so request in writing to resolve on a specific matter (to be indicated in the aforesaid request) regarding the management of the Company that they consider to be of particular importance.
- 16.2 Board meetings may also be held by means of telecommunications provided that all the participants can be identified and such identification is acknowledged in the minutes of the meeting, and that they are allowed to follow and participate in real time in the discussion of the matters considered, exchanging documents if need be; in such case, the meeting of the Board of Directors shall be deemed held in the place where whoever chairs the meeting is and where the Secretary must also be in order to allow the related minutes to be drawn up and signed.
- 16.3 The Board shall normally be called at least five days before the date on which the meeting is to be held. This period may be shorter in urgent cases. The Board of Directors shall decide the procedures for convening its own meetings.

**article 17**

- 17.1 Board meetings shall be chaired by the Chairman or, if the latter is absent or detained, by the Deputy Chairman if one has been appointed. If the latter is also absent, they are to be chaired by the oldest Director.

**article 18**

- 18.1 The quorum for meetings of the Board shall be a majority of the Directors in office.
- 18.2 Resolutions shall be adopted by an absolute majority of the Directors present; in case of a tie, the vote of the person chairing the meeting shall be decisive.

**article 19**

- 19.1 The resolutions of the Board of Directors shall appear in minutes which, signed by whoever chairs the meeting and by the Secretary, are to be transcribed in a book kept according to the law for this purpose.
- 19.2 Copies of the minutes shall be fully certified if signed by the Chairman or whoever acts in his or her behalf, and by the Secretary.

#### **article 20**

- 20.1 Management of the Company is the exclusive responsibility of the Directors, who shall carry out the actions necessary to achieve the corporate purpose.
- 20.2 In addition to exercising the powers entrusted to it by the law, the Board of Directors shall have the power to adopt resolutions concerning:
- a) mergers and demergers in the cases provided for by the law;
  - b) the establishment or elimination of secondary headquarters;
  - c) which of the Directors shall represent the Company;
  - d) the reduction of the share capital in case of the withdrawal of one or more shareholders;
  - e) the harmonization of the bylaws with provisions of the law;
  - f) the transfer of the registered office within Italy.
- 20.3 Pursuant to the procedure for transactions with related parties adopted by the Company:
- a) the ordinary Shareholders' Meeting, pursuant to Article 2364, paragraph 1, subsection 5, of the Civil Code, may authorize the Board of Directors to enter into related parties transactions of major importance, which do not fall within the competence of the Shareholders' Meeting, notwithstanding the negative opinion of the related parties Committee, provided that, without prejudice to the majorities required by law, bylaws and provisions applicable in cases of conflicts of interest, the Shareholders' Meeting resolves upon also with the favourable vote of at least half of the voting unrelated shareholders. In any case, the entering into of the foregoing transactions is prevented only if the unrelated shareholders attending the Shareholders' Meeting represent at least 10% of the share capital with voting rights;
  - b) in case the Board of Directors intends to submit to the approval of the Shareholders' Meeting a transaction with related parties of major importance, which fall within the competence of the Shareholders' Meeting, notwithstanding the negative opinion of the related parties Committee, the transaction may be entered into only if the Shareholder's Meeting resolves upon with the majorities and in compliance with the requirements set forth under the previous subsection a);
  - c) the Board of Directors or the delegated Bodies may resolve upon, applying the exemptions provided for in the procedure and subject to the conditions indicated therein, the entering into by the Company, directly or through its subsidiaries, of urgent transactions with related parties which do not fall within the competence of the Shareholders' Meeting and which are not subject to the authorization of the Shareholders' Meeting itself.
- 20.4 The delegated bodies shall promptly report to the Board of Directors and the Board of Statutory Auditors – or, absent the delegated bodies, the Directors shall

promptly report to the Board of Statutory Auditors – at least quarterly, and in any case during the meetings of the Board of Directors, on the activity carried out, the management of the Company in general and the prospects for the future, as well as the most important transactions affecting the income statement, cash flow and the balance sheet, or in any case that are most important because of their size or characteristics carried out by the Company and its subsidiaries; they shall specifically report on transactions in which they have an interest themselves or on behalf of third parties or that are influenced by the entity – if there is one – who directs and coordinates the Company.

20.5 The Board of Directors shall appoint, and revoke the appointment of, an executive in charge of preparing the corporate accounting documents, after the Board of Statutory Auditors has expressed its opinion.

The executive in charge of preparing the corporate accounting documents must have acquired experience for a total of at least three years in the performance of:

- a) executive duties regarding the preparation and/or analysis and/or evaluation and/or checking of corporate documents that present accounting issues of a complexity comparable to those connected with the Company's accounting documents; or
- b) auditing of the accounts of companies with shares listed on regulated markets in Italy or in other countries of the European Union; or
- c) professional activities or university teaching as a tenured professor in the field of finance or accounting; or
- d) executive duties in public bodies or government offices involved in the financial or accounting field.

#### **article 21**

21.1 Within the limits set forth in section 2381 of the Civil Code, the Board of Directors may delegate powers to one of its members, determining the content, the limits and any procedures of exercise of the delegation. Upon proposal by the Chairman and in agreement with the Chief Executive Officer, the Board may delegate powers to others among its members for single acts or classes of acts.

21.2 Within the limits of the authority conferred on him, the Chief Executive Officer shall have the power to delegate single acts or classes of acts to employees of the Company or to third parties, authorizing sub-delegation.

#### **article 22**

22.1 The legal authority to represent the Company and sign documents on its behalf is vested in both the Chairman of the Board of Directors and the Chief Executive Officer and, in the event that the former is unavailable, the Deputy Chairman if one has been appointed. The signature of the Deputy Chairman shall attest vis-à-vis third parties the Chairman's unavailability.

22.2 The above legal representatives may delegate the power to represent the Company, including in court, to third parties, who may also be authorized to sub-delegate.

#### **article 23**

- 23.1 The members of the Board of Directors shall be entitled to compensation in an amount to be determined by a meeting of the shareholders. Once adopted, the resolution shall apply during subsequent accounting periods until a Shareholders' Meeting determines otherwise.
- 23.2 The compensation of Directors entrusted with specific tasks in accordance with the bylaws shall be established by the Board of Directors after receiving the opinion of the Board of Statutory Auditors.

#### **article 24**

- 24.1 The Chairman shall:
- a) have the power to represent the Company pursuant to Article 22.1;
  - b) preside at meetings of the shareholders pursuant to Article 12.1;
  - c) call and preside at meetings of the Board of Directors pursuant to Articles 16 and 17.1, establish the agenda, coordinate the proceedings, and see that adequate information on the matters on the agenda is provided to all the Directors;
  - d) ascertain that the resolutions of the Board are carried out.

### **Title VI**

#### **Board of Statutory Auditors**

#### **article 25**

- 25.1 A Shareholders' Meeting shall elect the Board of Statutory Auditors, which is to be composed of three regular members, and shall determine their compensation. Three alternate members shall also be elected by a Shareholders' Meeting. The members of the Board of Statutory Auditors must possess the requisites of professionalism and honorableness specified in the Ministry of Justice's decree n. 162 of March 30, 2000. For the purposes of the provisions of section 1, paragraph 2, b) and c) of this decree, the following are considered closely connected with the scope of the Company's business activities: subjects pertaining to commercial law and tax law, business economics and business finance, as well as subjects and fields of activity pertaining to energy in general, communications, telematics and information technology, and network structures.
- The composition of the board of statutory auditors, situations of ineligibility and the limits to the number of offices on boards of directors, boards of statutory auditors, and similar bodies that the members of the Board of Statutory Auditors may hold shall be governed by the provisions of the statutes and regulations in force.
- 25.2 Regular members of the Board of Statutory Auditors and alternate members shall be elected by Shareholders' Meetings on the basis of the slates presented by the shareholders, on which the candidates are to be numbered progressively and their number must not exceed that of the members of the body to be elected.

Only those shareholders who, alone or together with other shareholders, own the minimum percentage of the share capital established by a regulation of the Consob for the presentation of slates of candidates for the election of the Board of Directors are entitled to present slates.

The provisions of law in force shall apply to the presentation, lodgment and publication of the slates.

The slates are to be divided into two sections: one for the candidates for the office of regular auditor and the other for candidates for the office of alternate auditor. The first candidate in each section must be a registered auditor and have practiced the profession of legal auditor for a period of no less than three years.

In compliance with the applicable laws on balance between genders, slates which, taking into account both sections, contain a number of candidates equal to or above three, shall include, both in the first two places of the section of the slate relating to the regular statutory auditors, and in the first two places of the section of the slate relating to the alternate statutory auditors, candidates belonging to different genders.

Two regular members of the Board of Statutory Auditors and two alternate members are to be drawn, in the numerical order in which they were listed in each section, from the slate that has obtained the most votes. The remaining regular member and the remaining alternate are to be elected according to the provisions of law in force and the procedures specified in Article 14.3, b), to be applied separately to each of the sections in which the other slates are divided.

When less than the entire Board is being elected, the Shareholders' Meeting shall resolve according to the majorities provided for by the law, without following the procedure specified above, but in any case in such a way as to ensure that the composition of the Board of Statutory Auditors is in accordance with the provisions of section 1, paragraph 1, of the Ministry of Justice's decree n. 162 of March 30, 2000, as well as with the principle of the representation of minority shareholders and the applicable laws on balance between genders.

The chairmanship of the Board of Statutory Auditors shall fall to the regular Auditor elected according to the procedures specified in Article 14.3, b); in the event the Chairman is substituted, this office shall be filled by the alternate Auditor also elected according to the procedures specified in Article 14.3, b).

In the event that one of the members drawn from the slate that obtained the most votes is substituted, his or her place shall be taken by the first of the alternate members drawn from the same slate. In the event that the replacement, if carried out through the above modalities, does not allow to form a Board of Statutory Auditors compliant with the applicable laws on balance between genders, the replacement shall be carried out in favour of the second alternate Statutory Auditor belonging to the same slate. If thereafter it is necessary to replace the other regular Statutory Auditor belonging to the slate which has obtained the highest number of votes, the latter shall in any case be replaced by the alternate Statutory Auditor belonging to the same slate.

25.3 Auditors whose term has expired shall be eligible for re-election.

25.4 The meetings of the Board of Statutory Auditors may also be held by means of telecommunications provided that all the participants can be identified and such identification is acknowledged in the minutes of the meeting, and that they are

allowed to follow and participate in real time in the discussion of the matters considered, exchanging documents if need be; in such case, the meeting of the Board of Statutory Auditors shall be deemed held in the place where whoever chairs the meeting is.

- 25.5 Upon notice to the Chairman of the Board of Directors, the Board of Statutory Auditors may call a Shareholders' Meeting and a Board of Directors' meeting. The powers concerned may also be exercised by at least two members of the Board of Statutory Auditors with regard to Shareholders' Meetings and by at least one member of the Board of Statutory Auditors with regard to meetings of the Board of Directors.

## **Title VII**

### **Financial Statements and Earnings**

#### **article 26**

- 26.1 The accounting period shall end on December 31 of every year.
- 26.2 At the end of each accounting period, the Board of Directors shall draw up the Company's financial statements as required by law.
- 26.3 The Board of Directors is authorized to distribute interim dividends to shareholders during the course of the year.

#### **article 27**

- 27.1 Dividends not collected within five years from the day they become payable shall lapse in favor of the Company and be posted directly to reserves.

## **Title VIII**

### **Dissolution and Liquidation of the Company**

#### **article 28**

- 28.1 Should the Company be dissolved, a Shareholders' Meeting is to determine the liquidation procedures and appoint one or more liquidators, establishing their powers and compensation.

## **Title IX**

### **Transitory and General Rules**

#### **article 29**

- 29.1 Any matters not expressly provided for herein shall be governed by the provisions of the Civil Code and applicable statutes.

#### **article 30**

- 30.1 The Company is to continue to carry out all the activities that - under legislative decree n. 79 of March 16, 1999, published in the Gazzetta Ufficiale, issue 75 of



March 31, 1999 - have been temporarily entrusted to it pending their award to other entities according to the provisions of the legislative decree.

**article 31**

- 31.1 The provisions of articles 14.3, 14.5, and 25.2 aimed at ensuring the fulfilment of the applicable laws on balance between genders shall apply to the first three appointments, respectively, of the Board of Directors and of the Board of Statutory Auditors, following the coming into force and the effectiveness of the provisions of article 1 of Law July 12, 2011, No. 120, published on the Official Gazette No. 174 of July 28, 2011.
- 31.2 The composition of the Board of Statutory Auditors indicated under article 25.1, which is characterized by the presence of three regular Statutory Auditors and three alternate Statutory Auditors, shall apply from the first appointment of the supervisory board following the coming into force and the effectiveness of the provisions of article 1 of Law July 12, 2011, No. 120, published on the Official Gazette No. 174 of July 28, 2011. Until such moment, the Board of Statutory Auditors is composed by three regular Statutory Auditors and two alternate Statutory Auditors.