



**BYLAWS OF**  
PIOVAN S.P.A.



## TITLE I

### FORMATION - COMPANY NAME - REGISTERED OFFICE AND DURATION OF THE COMPANY

#### Article 1

- 1.1 A joint stock company (*società per azioni*) is formed under the name “**Piovan S.p.A.**” and governed by these bylaws.

#### Article 2

- 2.1 The Company has its registered office in Santa Maria di Sala (Italy).
- 2.2 The Company may create, modify and close secondary, branch and representative offices, as well as any other type of offices, agencies and establishments, in Italy and abroad, as required on a case-by-case basis.

#### Article 3

- 3.1 The initial duration of the Company shall be until December 31, 2050 and may be extended in accordance with the laws in force from time to time. Shareholders who have not taken part in the approval of the resolution pertaining to the extension, if applicable, shall not be entitled to exercise their rights of withdrawal.

## TITLE II

### PURPOSE OF THE COMPANY

#### Article 4

- 4.1 The Company is formed for the purpose of engaging in the following activities, in Italy and abroad:
- (i) construction and sale of molds for metal and plastic, equipment for precision machining, plastic molding and construction of machinery and equipment for the transformation of plastic materials, as well as development and production of auxiliary systems for the automation of production processes for the storage, transportation and treatment of polymers, plastic powders, food powders and other equivalent or similar materials and substances;
  - (ii) intermediation, with or without deposit, of products identical or similar to those produced or sold as listed hereinabove.

To that end, the Company, directly or indirectly through subsidiaries or investee companies, may operate in Italy and abroad and may carry out activities connected, auxiliary, similar, complementary or otherwise useful for the achievement of its business purpose, including, but not limited to:

- (a) engaging in the business, not involving the general public, of acquiring and managing interests in Italian or foreign companies or entities, including the full ownership thereof, also where the business purpose is different than

their own;

- (b) engaging in the business of managing direct or indirect investee companies and coordinating them;
- (c) providing loans and guarantees to direct or indirect investee companies;
- (d) conducting negotiations aimed at obtaining work orders on behalf of the investee companies or of third parties, including their possible acquisition for the purpose of subsequently transferring and granting guarantees on those work orders; and
- (e) providing services and consultancy in the administrative and financial area, with the exclusion of those services that the applicable laws in force reserve to persons enrolled in particular registries or lists.

In the interests of its subsidiaries or investee companies, the Company may also directly carry out every activity connected with, or auxiliary to, its own activities or the activities of any such investee Company or subsidiary.

To achieve its business purpose, the Company may ultimately carry out all transactions necessary, useful or connected to the achievement of such purpose or which enables a better utilization of its own facilities and/or resources and those of its investee companies or subsidiaries, with the exception of fundraisings from the public and investments as set out by Italian legislative decree no. 58 of February 24, 1998, as well as of the activities indicated in Article 106 of Italian legislative decree no. 385 of September 1, 1993, insofar as their exercise involves the general public, and activities generally reserved by law to professionals enrolled in the appropriate registers.

To that end, the Company may:

- (a) acquire interests, shares and holdings, including shareholdings, in other companies with similar, analogous or complementary purposes;
- (b) provide guarantees and sureties and allow mortgage registrations on the Company's real estate assets and provide any other real and/or personal guarantee for its own debts and obligations or those of third parties, whenever the Board of Directors deems it to be appropriate;
- (c) buy, sell, exchange and manage real estate and agencies;
- (d) perform bank, financial and real estate transactions of investment and divestment in public debt securities, notes and listed instruments and grant securities, including collaterals, to third parties;

- (e) raise shareholder loans, including non-interest-bearing and not on a *pro rata* basis loans, within the limits and on the conditions set out in Italian legislative decree no. 385 of September 1, 1993, as amended and supplemented, including in any implementing provisions thereof, as well as in any subsequent regulations applicable to that subject matter.

### **TITLE III**

#### **CAPITAL - SHARES - WITHDRAWAL - BONDS - FINANCIAL INSTRUMENTS**

##### **Article 5**

- 5.1 The Company's share capital amounts to EUR 6,000,000, represented by 53,600,000 ordinary shares with no par value. The Company's share capital may be increased by a Shareholders' resolution, including by issuing shares having rights different than the ordinary shares', with contributions other than in cash and by offsetting payables due to the Company, to the extent permitted by law.
- 5.2 In resolutions for a paid-up capital increase, preemptive rights may be excluded up to a maximum of 10% of the Company's pre-existing share capital, pursuant to and in compliance with Section 2441(4) of the Italian civil code.
- 5.3 The Extraordinary Shareholders' Meeting may grant to Directors the authority to increase one or more times the share capital pursuant to and in compliance with Section 2443 of the Italian civil code.
- 5.4 The Extraordinary Shareholders' Meeting may resolve, pursuant to and in compliance with Section 2349(1) of the Italian civil code, to allocate profits to the employees of the Company or its subsidiaries, through the issuance of special classes of shares, and to grant financial instruments, other than shares, to the employees of the Company or its subsidiaries in accordance with Section 2349(2) of the Italian civil code.
- 5.5 Shares shall be in registered form and freely transferable. Each shares shall be entitled to one vote. Shares shall be issued and transferred in compliance with the laws and regulations in force.
- 5.6 Status as a Shareholder constitutes *per se* acceptance of these bylaws.
- 5.7 The Shareholders' address for service *vis-à-vis* the Company is, for all legal purposes, as indicated in the Shareholders' Ledger.
- 5.8 The introduction or cancellation of restrictions on the transfer of shares shall not entail any right of withdrawal for the Shareholders who have not taken part in the approval of the relevant resolution.

##### **Article 6**

- 6.1 Pursuant to Article 127-*quinquies* of Italian legislative decree no. 58/1998, each Share which has been held by the same person for a continuing period of more than 24 (twenty-four) months starting from the date of registration

in the list set forth in the following paragraphs shall be entitled to 2 (two) votes. Shareholders entitled with voting rights may irrevocably waive, in whole or in part, the increased vote for their respective Shares.

- 6.2 Without prejudice to the provisions set out in Paragraph 6.1 above, the Board of Directors — in the person of its Chairman or of the Directors delegated for the purpose thereof, including by means of assistants appointed to this end — shall ascertain the existence of the requirements for the assignment of the increased vote, on the basis of the information contained in a dedicated list (the “List”) kept by the Company, in accordance with the applicable laws and regulations, in which all Shareholders willing to take advantage from the increase of their voting rights must register by attaching or sending the certificate provided for by Article 83-*quinquies*(3) of Italian legislative decree no. 58/1998.
- 6.3 The Company shall be entitled to define detailed regulations on the mechanics of registration, keeping and updating of the List, to appoint the person in charge of managing the List and to determine the criteria applicable to the keeping of the List (if applicable, only in electronic format).
- 6.4 The Company shall make the relevant registrations and update the List at least on a quarterly basis — March 31, June 30, September 30 and December 31 — or according to any other frequency possibly set out in the relevant sector regulations and, in any event, no later than the so-called “record date”.
- 6.5 Even when received in advance, the request for registration shall be effective only upon update of the List by the Company, which shall do so within the first applicable date in accordance with the timeline defined according to the above mechanics.
- 6.6 The transfer of shares, either against consideration or free of charge, including the transactions entailing the creation or assignment of partial rights on the shares as a consequence which Shareholders in the List would be deprived from their voting rights, or the direct or indirect transfer of controlling interests in companies or entities holding shares with increased voting rights in a measure greater than the threshold defined in Article 120(2) of Italian legislative decree no. 58/1998, shall entail the loss of the increased voting rights.
- 6.7 Increased voting rights shall:
  - be maintained in case of succession *mortis causa* as well as in case of mergers and split-ups of the Shareholder;
  - extend to newly issued shares in case of capital increases pursuant to Section 2442 of the Italian civil code;
  - also be attributed to the shares assigned in exchange of shares with increased votes, in case of mergers or split-ups, whenever such mechanics are provided for under the relevant merger or split-up plans;
  - extend proportionally to the shares issued in execution of a capital increase by means of new contributions.

The increase of the voting rights shall also be calculated to determine the quorum to convene meetings and pass resolutions upon quotas of the corporate capital, but shall have no impact on the rights, other than the vote, granted to Shareholders owning a determined quota of the capital.

- 6.8 Under Article 127-*quinquies*(7) of Italian legislative decree no. 58/1998, with respect to shares existing prior to the application to trade on the market Euronext Milan organized and managed by Borsa Italiana S.p.A. (“**Euronext Milan**” – previously named Mercato Telematico Azionario (“**MTA**”)), the period of ownership accrued prior to the admission to trade and, therefore, prior to the date of registration in the List shall also be taken into account for the purpose of the calculation of the period of continuing ownership required to increase the vote.
- 6.9 Notwithstanding the quarterly frequency or any other frequency possibly set out in the sector regulations and applicable pursuant to Paragraph 6.4 above, whenever a Shareholder requires to be registered in the List because of an ownership accrued prior to any such registration in accordance with Paragraph 6.8 above, the Company shall make such registration in the List on the day in which the Shareholder requests to be registered and the registration shall be immediately effective. The increase of the vote pertaining to the shares existing prior to the notice of admission to trading on the market Euronext Milan (previously named MTA) shall accrue from the date of the notice of admission to trading of the shares on the market Euronext Milan (previously named MTA).

#### **Article 7**

- 7.1 Shareholders may withdraw from the Company in the cases provided for by law.

#### **Article 8**

- 8.1 Directors shall resolve upon the issuance of bonds, including placement bonds, thereby determining the mechanics and conditions thereof in accordance with the laws and regulations in force from time to time.
- 8.2 In accordance with the laws and regulations in force from time to time, the Company may issue special classes of shares entailing different rights, including with respect to the impact of losses, thus determining the content of the resolution upon the relevant issuance, as well as participatory financial instruments and financial instruments that impact the timeline and mechanics for the repayment of the capital at the economic performance of the Company.

### **TITLE IV**

#### **SHAREHOLDERS' MEETINGS**

##### **Article 9**

- 9.1 Ordinary and Extraordinary Shareholders' Meetings shall generally be held in the municipality where the Company has its registered office, except as otherwise decided by the Board of Directors as long as the meeting takes

place in Italy or in a country where the Company does business, either directly or through its subsidiaries or investee companies.

- 9.2 Ordinary Shareholders' Meetings and Extraordinary Shareholders' Meetings shall be held in one call, as provided for by law.
- 9.3 Meetings shall be called within the time periods set forth by the laws and regulations in force from time to time, by call notice published on the Company's website, and in accordance with the procedures provided for by the laws and regulations in force for time to time, with not less than the minimum legal notice prior to the date set for the Shareholders' Meeting.

#### **Article 10**

- 10.1 The right to participate in Shareholders' Meetings and to exercise voting rights shall be governed by the laws and regulations in force.

#### **Article 11**

- 11.1 Persons vested with voting rights may be represented at Shareholders' Meetings for all legal purposes, by means of a proxy issued under the procedures provided for by the laws and regulations in force. The Company may also receive notice of the proxies electronically, *i.e.*, by email, in compliance with the procedures described in the call notice.
- 11.2 The Company shall not take advantage of its legal right to appoint a representative to whom Shareholders may grant proxies with voting instructions on some, or all, of the proposed items on the agenda of the relevant Shareholders' Meeting.
- 11.3 The conduct of Shareholders' Meetings shall be governed by dedicated rules approved by resolution of an Ordinary Shareholders' Meeting.

#### **Article 12**

- 12.1 Shareholders' Meetings shall be chaired by the Chairman of the Board of Directors or, if he/she is absent or unable to attend, by the Vice-Chairman or the Chief Executive Officer, if appointed and in attendance; alternatively, the meetings may be chaired by a person elected by the Shareholders' Meeting.
- 12.2 The Chairman of the meeting may be assisted by a Secretary (including among non-Shareholders) designated by the participants, and may appoint one or more vote tellers. In the cases provided for by law, or when the Chairman deems it to be suitable, the minutes shall be drawn up by a notary public selected by the Chairman, who shall act as the Secretary.
- 12.3 Shareholders' resolutions shall be reported in the relevant minutes, drawn up in accordance with the laws in force from time to time, and signed by the Chairman and the Secretary or by the notary selected by the Chairman.

#### **Article 13**

- 13.1 Shareholders' Meetings shall resolve upon all the items assigned to their competence by law.
- 13.2 Shareholders' resolutions shall be passed by the majorities required by law.



- 13.3 Shareholders' resolutions, which shall be passed in accordance with the law and with these bylaws, shall be binding on all Shareholders, including non-attending or dissenting Shareholders.

## **TITLE V**

### **BOARD OF DIRECTORS**

#### **Article 14**

- 14.1 The Company shall be managed by a Board of Directors composed of up to 7 (seven) members. The Shareholders' Meeting shall determine the number of Directors, without prejudice to the aforesaid limit, prior to their appointment.
- 14.2 Directors shall be appointed for 3 (three) fiscal years or for any shorter period of time, which may in no event exceed 3 (three) fiscal years, as established at the time of their appointment. They are eligible for re-election.
- 14.3 Directors shall be appointed by the Shareholders' Meeting on the basis of slates submitted by Shareholders in compliance with the laws and regulations in force from time to time, including with regard to the applicable rules on gender balance, on which the candidates — in a number not greater than 7 (seven), who must meet the requirements provided for by the laws and regulations in force from time to time — shall be listed with an assigned sequence number.

Each slate shall indicate which candidates meet the independence requirements set out in the laws and regulations in force from time to time. Slates with a number of candidates equal to, or greater than, 3 (three) shall contain candidates of both genders, in accordance with the current *pro tempore* regulations on gender balance.

Each Shareholder may submit, or participate in the submission of, one (and only one) slate. Each candidate may be listed only in one slate, under penalty of ineligibility.

Slates may be submitted only by Shareholders that, alone or together with others, own shares representing at least 2.5% of the share capital or any other different percentage quota as established by the laws and regulations in force from time to time.

Within the deadline set out in the laws and regulations in force from time to time, each slate shall be filed along with the statements in which each individual candidate accepts their candidacy and certifies, under their own responsibility, that they are not subject to causes of ineligibility or incompatibility and that they meet the requirements prescribed by the laws and regulations in force for their respective offices. Each of the above-mentioned statements shall be filed with the candidates' *curricula vitae* containing their personal and professional experience, their potential suitability to qualify as independent Directors, pursuant to the laws and regulations in force and to the corporate governance codes of conduct

possibly adopted by the Company. The slates for which the aforesaid provisions have not been complied with shall be deemed as not having been submitted.

Appointed Directors shall inform the Board of Directors without delay in case of loss of their independence requirements, as well as of any supervening cause of ineligibility or incompatibility.

Each person entitled to vote may vote for only one slate.

At the end of the voting process, the candidates from the two slates which received the highest number of votes shall be elected based on the following criteria:

- (a) Directors equal in number to the total number of members to be elected, less 1 (one), shall be drawn from the slate which received the majority of the votes cast, in the sequential order in which they are listed on that slate;
- (b) the remaining Director shall be drawn from the slate which received the second greatest number of votes at the Shareholders' Meeting ("minority list") and shall not be linked in any manner whatsoever, not even indirectly, to those who submitted or voted for the slate which came first in number of votes.

In case of a tie vote, a new vote shall be taken by the entire Shareholders' Meeting; the candidates being elected shall be those who obtained the simple majority of the votes.

If, upon the end of the vote, no sufficient number of Directors who meet the independence requirements set out by the laws and regulations in force is elected, the candidate who does not meet such requirements and who was last elected in the sequential order from the slate which received the highest number of votes shall be excluded and replaced by the following candidate who meets the independence requirements drawn from the same slate as the excluded candidate. If needed, this procedure shall be repeated until the number of independent Directors to be elected is reached. If according to the above-described mechanics the elected candidates do not ensure the composition of the Board of Directors to be in compliance with the laws and regulations in force from time to time with regard to gender balance, the candidates belonging to the most represented gender as last elected according to the sequential order of the slate which obtained the highest number of votes shall be replaced by the first unelected candidate belonging to the least represented gender according to the sequential order of the same slate. These replacement mechanics shall be followed until the composition of the Board of Directors is deemed to be in line with the gender balance rules in force from time to time. Lastly, if such procedure does not enable to reach the outcome detailed hereinabove, the replacement shall be made by a Shareholders' resolution passed by relative majority, after submission of the candidacies of the persons belonging to the least represented gender.

Should only one slate be submitted, the Directors shall be drawn from that slate, provided that it has been approved by simple majority vote. If the

number of Directors so elected does not correspond to that of the members of the Board determined by the Shareholders' Meeting, or in the event that no slate was submitted or that the submitted slate does not permit the appointment of independent Directors in compliance with the laws and regulations in force, the Shareholders' Meeting shall pass resolutions with the statutory majorities. All the foregoing, however, is without prejudice to the compliance with the gender balance regulations in force from time to time.

Slate voting mechanics shall apply only in case of appointment of the entire Board of Directors.

- 14.4 If during the course of the fiscal year one or more Directors happen to leave their offices, the procedures set out in Section 2386 of the Italian civil code shall apply. If one or more of the Directors leaving their offices were drawn from a slate that also contained names of non-elected candidates, the replacement shall be made through the appointment, in sequential order, of candidates drawn from the slate to which the departing Director belonged and who are still eligible and available to accept the position. In case of absence or unavailability of any such candidate on that slate, the replacing candidate shall be appointed by the Directors drawn from the slate to which the departing Director belonged. In any event, departing Directors shall be replaced with the purpose of ensuring the presence among the Board of the required number of Directors possessing the independence requirements as established by law and in compliance with the gender balance regulations in force from time to time.

#### **Article 15**

- 15.1 The Board of Directors elects a Chairman among its members — whenever the Shareholders' Meeting has not already done so — and may appoint one or more Vice-Chairmen, who may replace the Chairman whenever he/she is absent or unavailable.
- 15.2 Upon a proposal from the Chairman, the Board shall appoint a Secretary, chosen from among its members.

#### **Article 16**

- 16.1 The Board of Directors shall be convened at the registered office or at any other place indicated in the call notice by the Chairman or, if he/she is absent or unable to attend, the Vice-Chairman. A meeting of the Board of Directors may also be called by the Statutory Auditors or whenever at least 2 (two) Directors request in writing to resolve upon a specific item, which must be indicated in such request.
- 16.2 The convocation shall be made by notice sent by registered letter, fax or email, at least 3 (three) days before the date set for the meeting or, in cases of urgency, at least 24 (twenty-four) hours prior to the time set for the meeting.
- 16.3 Meetings of the Board of Directors may also be held remotely by means of telecommunication, provided that all participants can be identified and such identification is indicated in the relevant minutes of the meeting. Moreover,

remote participants shall be able to follow and participate real-time in the discussion, in a condition where they are all equally informed on the items on the agenda; if all the above conditions are met, then the meeting of the Board of Directors shall be deemed held in the place where the person who chairs the meeting is located and where the Secretary must also be present for the purpose of drawing up and signing the relevant minutes of meeting.

#### **Article 17**

- 17.1 Meetings of the Board of Directors shall be chaired by the Chairman or, if he/she is absent or unable to attend, by the Vice-Chairman. Should the Vice-Chairman be absent as well, meetings shall be chaired by the Director appointed by the attendees.

#### **Article 18**

- 18.1 In order for the meetings of the Board of Directors to be valid, the majority of the Directors in office must be present.
- 18.2 Resolutions shall be passed by absolute majority of the votes of the Directors in attendance, without taking abstentions into account for the calculation of the majority.

#### **Article 19**

- 19.1 Directors' resolutions shall be reported in the relevant minutes, signed by the person who chairs the meeting and the Secretary and transcribed in the appropriate register kept in accordance with the law.
- 19.2 Copies of the minutes shall be fully binding when signed by the person who chairs the meeting and the Secretary.

#### **Article 20**

- 20.1 The management of the Company shall be the exclusive responsibility of the Board of Directors, who shall carry out all actions necessary for the achievement of the business purpose.
- 20.2 In addition to exercising the powers assigned to it by law, the Board of Directors shall have the power to resolve upon:
- (a) mergers and splits-up, in the cases provided for by law;
  - (b) creation and cancellation of establishments;
  - (c) indication of the Directors who may represent the Company;
  - (d) reduction of the share capital in case of withdrawal of one or more Shareholders;
  - (e) alignment of the bylaws to the applicable regulations;
  - (f) transfer of the Company's registered office within Italy.

The assignment of such areas of responsibility to the Board of Directors shall not exclude the concurrent jurisdiction of the Shareholders' Meeting over the same matters.

- 20.3 Bodies holding delegated powers (*organi delegati*) shall immediately report to the Board of Directors and the Board of Statutory Auditors — or, in the

absence of bodies holding delegated powers, the Board of Directors shall report to the Board of Statutory Auditors — at least once every quarter, on the activity carried out, on the general performance of the business and on the expected outlook thereof, as well as on the most significant transactions in terms of operating results, finances and net assets, or otherwise significant in light of their size or characteristics, engaged in by the Company and its subsidiaries. In particular, the bodies holding delegated powers or the Board of Directors, as the case may be, shall report on transactions in which they hold an interest, on their own behalf or on behalf of third parties, or that are impacted by the party performing the direction and control activities, where applicable.

#### **Article 21**

- 21.1 Within the limits set forth in Section 2381 of the Italian civil code, the Board of Directors may delegate its powers either to an Executive Committee, thus determining the powers and number of members of such committee, or else to one or more of its own members, as Chief Executive Officers if needed, therefore defining the content, restrictions and mechanics for the exercise of the proxy. Delegated bodies shall be entitled to grant proxies, in the framework of their own assignments, for single acts or categories of acts to employees of the Company and to third parties, who, in turn, shall be entitled to sub-delegate.
- 21.2 The Board of Directors may appoint one or more General Managers (*Direttori Generali*), Deputy General Managers (*Vicedirettori Generali*), Executive Directors (*Direttori*), Attorneys (*Procuratori*) and Agents (*Mandatari*), including within the Board of Directors, for single acts or categories of acts, thereby determining their powers, including the Company representation powers, as well as their compensations, if any.
- 21.3 The Board of Directors may establish one or more internal committees having consultancy, proposal and investigation purposes, thus determining their assignments and powers.
- 21.4 The Board of Directors (i) shall appoint and remove a manager in charge of drawing up the Company's accounting documents (*dirigente preposto alla redazione dei documenti contabili societari*), after obtaining the mandatory yet non-binding opinion of the Board of Statutory Auditors, (ii) shall determine the duration of his/her office, and (iii) shall grant him/her adequate powers and resources for the performance of his/her duties.

The manager in charge of drawing up the Company's accounting documents shall be appointed from among the persons possessing at least 5 (five) years of significant professional experience in the accounting, business and financial sector, in accordance with any other requirements possibly set out by the Board of Directors and/or by the laws and regulations in force from time to time.

#### **Article 22**

- 22.1 The legal representation of the Company and the authority to sign on behalf of the Company lies with the Chairman and, if he/she is absent or unable to

attend, with the Vice-Chairman, if appointed. If appointed, the Chief Executive Officers shall be granted with these same powers, within the limits of their assignments.

- 22.2 The aforesaid legal representatives may grant legal powers to represent the Company, including in litigation and other proceedings, with the power to sub-delegate.

### **Article 23**

- 23.1 The members of the Board of Directors shall be entitled to an annual compensation, including in the form of profit-sharing or subscription rights, which shall be determined by the Shareholders' Meeting. Fees so established shall remain unchanged unless otherwise decided by the Shareholders' Meeting. The Shareholders' Meeting may establish an overall amount of compensation for all Directors, including those vested with special assignments.
- 23.2 Fees of Directors with special assignments in accordance with these bylaws shall be established by the Board of Directors, after hearing the opinion of the Board of Statutory Auditors, in line with any overall amount that may have been set by the Shareholders' Meeting.
- 23.3 Directors shall be entitled to the reimbursement of the expenses incurred in the performance of their office.

### **Article 24**

- 24.1 The Chairman shall perform the functions provided for by the laws and regulations in force and by these bylaws. In particular, the Chairman shall:
- (a) have the power to represent the Company pursuant to Article 21.1 hereof;
  - (b) chair Shareholders' Meetings pursuant to Article 11.1 hereof, thereby adopting any measure required to regulate the conduct of the discussion and of the vote, defining the voting mechanisms and ascertaining the voting results;
  - (c) call and chair the Board of Directors' meetings pursuant to Articles 15 and 16.1 hereof; he/she shall set an agenda, coordinate the discussion and ensure that all Directors receive adequate information on the items on the agenda, in consideration of the circumstances on a case-by-case basis;
  - (d) ascertain the implementation of the Board of Directors' resolutions.

## **TITLE VI**

### **BOARD OF STATUTORY AUDITORS, STATUTORY AUDIT OF ACCOUNTS**

## AND TRANSACTIONS WITH RELATED PARTIES

### Article 25

- 25.1 The Shareholders' Meeting shall be in charge of electing the Board of Statutory Auditors, composed of 3 (three) Standing Auditors, and of determining their compensations. The Shareholders' Meeting shall also elect 2 (two) Alternate Auditors.

The powers, duties and term of office of the Statutory Auditors shall be as established by law.

Persons who exceed the limits of aggregation of offices, or are subject to causes of ineligibility or forfeiture, or do not meet the good standing and professionalism requirements provided for by the laws and regulations in force may not be elected as Statutory Auditors and, if elected, they shall lose their office. For the purpose of Article 1(2), letters b) and c), of decree of the Italian ministry of justice decree no. 162 of March 30, 2000, which sets forth the relevant professionalism and good standing requirements, the subject matters inherent to the business segment of the Company, as well as the subject matters relating to private law, administrative, tax-related, economic and financial disciplines, as well as those relating to economy, organization and corporate finance, shall be deemed to be closely connected with the scope of the Company's business.

- 25.2 Standing Auditors and Alternate Auditors shall be appointed by the Shareholders' Meeting in accordance with the rules in force from time to time with regard to gender balance, based on the slates submitted by Shareholders, in compliance with the laws and regulations in force from time to time, on which candidates must be listed in sequential order and in a number not higher than the number of members that must be elected. Each slate must contain two sections: one for the appointment of the Standing Auditors and another one for the appointment of the Alternate Auditors. The first candidate from each section shall be picked from among the statutory auditors (*revisori legali*) enrolled in the applicable register as set out in Section 2397 of the Italian civil code.

Slates with a number of candidates equal to, or greater than, 3 (three) shall contain candidates of both genders, in accordance with the current pro tempore regulations on gender balance.

Are entitled to present slates only those Shareholders who, either alone or with other Shareholders, own shares representing at least 2.5% of the share capital or any other value set forth under the law and regulatory provisions in force at the time. Each Shareholder may submit, or participate in the submission of, one (and only one) slate. Each candidate may be listed only in one slate, under penalty of ineligibility.

By the deadlines set out in the laws and regulations in force for the submission, each slate shall be filed along with the statements in which each individual candidates accept their candidacies and certify, under their own responsibility, that they are not subject to causes of ineligibility or incompatibility and that they meet the requirements prescribed by the laws

and these bylaws for their respective offices. Slates for which the aforesaid provisions have not been complied with shall be deemed as not having been submitted. Such statements, moreover, shall be accompanied, for each candidate, by a *curriculum vitae* containing their personal and professional experiences and including the list of the administration and control offices held by each candidate in other companies.

The submission, filing and disclosure of slates are subject to the laws and regulations in force from time to time. Slates must be composed of two sections: one for the candidates to the office of Standing Auditor and the other for the candidates to the office of Alternate Auditor. Each person entitled to vote may vote for only one slate. Statutory Auditors shall be elected as follows:

- (a) 2 (two) Standing Auditors and 1 (one) Alternate Auditor shall be drawn, according to the sequential order in which they are listed, from the slate having obtained the highest number of votes during the Shareholders' meeting;
- (b) the third Standing Auditor — who shall be appointed as the Chairman of the Board of Statutory Auditors — and the second Alternate Auditor shall be drawn, according to the sequential order in which they are listed, from the slate having obtained the second highest number of votes in the Shareholders' meeting and not being anyhow connected, not even indirectly, with the Shareholders who submitted or voted for the slate that received the highest number of votes. If more than one minority slate obtained an equal number of votes, the elected candidate, Statutory Auditor and Alternate Auditor, shall be the most senior in age;
- (c) if only one slate is submitted, the entire Board of Statutory Auditors shall be drawn from that slate, provided that it obtained the approval by simple majority of votes.

If according to the above-described mechanics the composition of the Board of Statutory Auditors, as to the Standing Auditors, is not in compliance with the laws and regulations in force from time to time with regard to gender balance, replacement shall be ensured through the candidates to the Standing Auditor positions on the slate which obtained the highest number of votes according to the sequential order of the same slate.

In case of loss of the legal and statutory requirements, statutory auditors shall lose their office. In case of replacement of one Auditor, the Alternate Auditor belonging to the same slate shall replace the departing Auditor. Alternatively, in case of departure of a minority Statutory Auditor, he/she should be replaced by the next candidate on the slate which the departing Auditor belonged to, or else by the first candidate on the minority slate which obtained the second highest number of votes.

The chairmanship of the Board of Statutory Auditors shall however lie with the minority statutory auditor and the composition of the Board of Statutory Auditors shall comply with the gender balance rules in force from time to time.



When the Shareholders' Meeting must appoint Standing and/or Alternate Auditors as it may be necessary to integrate the Board of Statutory Auditors, the following procedure shall apply: if auditors drawn from the majority slates need to be replaced, substitutes are appointed through a majority voting process, free from any slate-related restrictions; if auditors drawn from the minority slates need to be replaced, the Shareholders' Meeting shall replace them through a majority vote, thus selecting, if possible, the candidates indicated on the slate which the auditor who needs to be replaced belonged to, or on the minority slate having obtained the second highest number of votes.

After applying these procedures, should it not be possible, for any reason whatsoever, to replace the statutory auditors appointed by the minority, then the Shareholders' Meeting shall carry out a relative majority vote, after the submission of the candidacies by those Shareholders who, alone or together with others, own a total number of voting shares representing at least the above-mentioned percentage in capital in relation to the submission of slates. However, in ascertaining the results of this final round of voting, the calculation shall not include the votes of those Shareholders who, according to the notices served in accordance with the regulations in force, hold a relative majority of the votes that may be cast at Shareholders' Meetings, including indirectly or also in conjunction with other Shareholders that are parties to a Shareholder agreement relevant for the purpose of Article 122 of Italian legislative decree no. 58/1998, or of those Shareholders who control, are controlled by or are subject to common control with the same.

The replacement procedures described under the above paragraphs shall in any case ensure the compliance to the regulations in force with regard to gender balance.

- 25.3 Departing Statutory Auditors shall be eligible for re-election.
- 25.4 Meetings of the Board of Statutory Auditors may also be held remotely by means of telecommunication, provided that all participants can be identified and such identification is indicated in the relevant minutes of the meeting. Moreover, remote participants must be able to follow and participate real-time in the discussion and to exchange documents if necessary; if all the above conditions are met, then the meeting of the Board of Statutory Auditors shall be deemed held in the place where the person who chairs the meeting is located.
- 25.5 Upon prior notification thereof to the Chairman of the Board of Directors, the Board of Statutory Auditors may convene Shareholders' Meetings or meetings of the Board of Directors. The relevant powers may also be exercised by at least 2 (two) members of the Board of Statutory Auditors in case of convocation of a Shareholders' Meeting, and by at least 1 (one) member of the Board of Statutory Auditors in case of convocation of a meeting of the Board of Directors.

#### **Article 26**

- 26.1 Statutory audit of accounts shall be performed by an audit firm (*società di revisione*) which meets the legal requirements and is appointed by an Ordinary Shareholders' Meeting upon reasoned proposal by the Board of Statutory Auditors.
- 26.2 The appointment, dismissal, requirements, assignments, jurisdiction, responsibilities, powers, obligations and compensation of the persons in charge with the statutory audit of the Company's accounts shall comply with the applicable laws.

#### **Article 27**

- 27.1 The Company shall approve transactions with related parties in compliance with the laws and regulations in force, the provisions contained in its bylaws as well as the procedures adopted with respect thereto for the purpose of ensuring the transparency and substantive fairness of such transactions.
- 27.2 The procedures adopted by the Company for transactions with related parties may set out that, in case of urgency, the transactions falling outside of the scope of competence and does not require the approval of the Shareholders' Meeting may be carried out notwithstanding the ordinary procedures contemplated therein, without prejudice to the compliance with the conditions set forth in the laws and regulations in force from time to time.

### **TITLE VII**

#### **FINANCIAL STATEMENTS AND PROFITS**

##### **Article 28**

- 28.1 The Company's fiscal year shall end on December 31 of each year.
- 28.2 At the end of each fiscal year, the Board of Directors shall be in charge of preparing the Company's financial statements in accordance with the applicable provisions of law. The Shareholders' Meeting called to approve the financial statements must be called within the deadline set out in the laws and regulations in force from time to time.
- 28.3 Net profits as resulting from the approved financial statements — after deducting the amount that must be allocated as legal reserve up to the achievement of the limit set out by law — shall be apportioned to Shareholders by the Shareholders' Meeting, except where such Shareholders' Meeting resolves to allocate additional funds to extra reserves or for any other reason, or else resolves to enter such net profits, in whole or in part, in the following fiscal years.
- 28.4 The Board of Directors may resolve upon the apportionment to the Shareholders of interim dividends in the course of the fiscal year provided that the applicable law requirements and conditions are complied with.

##### **Article 29**

- 29.1 Dividends remaining unclaimed for 5 (five) years from the date on which they become payable shall be forfeited in favor of the Company, with direct posting to the reserve.

## **TITLE VIII**

### **WINDING-UP AND LIQUIDATION OF THE COMPANY**

#### **Article 30**

- 30.1 In case of the Company's dissolution, the Shareholders' Meeting shall determine the liquidation procedures and shall appoint one or more liquidators, thus setting their powers and compensations.

## **TITLE IX**

### **GENERAL AND TRANSITIONAL PROVISIONS**

#### **Article 31**

- 31.1 As to everything not expressly provided for herein, the Italian civil code and the relevant special laws shall apply.





Bylaws of Piovan S.p.A.

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