

5. Board of Statutory Auditors

5.1 Appointment of the Board of Statutory Auditors

5.2 Appointment of the Chairman of the Board of Statutory Auditors

5.3 Determination of the remuneration of the Chairman of the Board of Statutory Auditors and of the Acting Auditors

Shareholders,

With the approval of the financial statements as at 31 December 2016, the term of office of the Board of Statutory Auditors, appointed for the financial years 2014-2015-2016 by the Ordinary Shareholders' Meeting of 18 April 2014, expires. Consequently, in the next shareholders' meeting you will be called upon to: (5.1) appoint three Acting Auditors and three Alternate Auditors, (5.2) to appoint the Chairman of the Board of Statutory Auditors and (5.3) to determine the remuneration of the Chairman of the Board of Statutory Auditors and of the Acting Auditors.

5.1 Appointment of the Board of Statutory Auditors

5.2 Appointment of the Chairman of the Board of Statutory Auditors.

Article 26 of the Bylaws (available on the website www.grupposias.it, in the "governance" section) establishes that *"The Board of Statutory Auditors consists of three Acting Auditors and three Alternate Auditors"*.

The Board of Statutory Auditors is appointed in the manner and according to the terms provided for by Article 27 of said Bylaws Statute and by current legislation, based on the lists submitted by shareholders who, alone or together with others, hold shares representing at least 1% of the share capital, as required by Consob Resolution no. 19856 of 25 January 2017.

The candidate lists must be filed within twenty five days (i.e. by 2 April 2017) preceding the date set for the Shareholders' Meeting in single call, by filing at the Registered Office or by sending to the e-mail address assembleasias@grupposias.it

It is recalled that, in the event that on the date of expiry of the deadline for submitting lists for the Board of Statutory Auditors, only one list, or only lists submitted by shareholders acting in concert pursuant to the applicable provisions have been filed, lists may be submitted up to the third day following said date (i.e. by 5 April 2017); in this case, the threshold for submission of lists will be reduced by half and will be equal to 0.5% of the share capital.

Each candidate may be presented on one list only upon penalty of ineligibility for election.

The lists, accompanied by the prescribed documentation, are made available at the Registered Office, on the website (in the "governance" section) and on that of Borsa Italiana, at least 21 days before the date set for the Shareholder's Meeting in single call.

The lists, in which candidates are listed by name and assigned a sequential number, must be divided into two sections: one for candidates for the office of Acting Auditor, the other for candidates for the office of Alternate Auditor.

For the purposes of compliance with current legislation on gender balance, the lists that, considering both sections, have a number of candidates greater than or equal to three must include candidates of different genders in the first two places for both the section for Acting Auditors and that Alternate Auditors.

Election of Statutory Auditors will proceed as follows:

1. from the list obtaining the most votes in the Shareholders' Meeting, two acting and two alternate members are taken, based on the sequential order in which they were listed in the sections of the list;
2. from the list obtaining the second most votes in the Shareholders' Meeting, the remaining acting member and the remaining alternate member are taken, based on the sequential order in which they were listed in the sections of the list.

In the event of a tie between two or more lists, the oldest candidates are elected Statutory Auditors up to the number of places to be assigned.

The Chairman of the Board of Statutory Auditors is assigned to the candidate from the list obtaining the second most votes in the Shareholders' Meeting; in the event of a tie between two or more lists, the preceding paragraph applies.

Should application of the above procedure not allow, for Acting Auditors, compliance with the legislation on gender balance, the quotient of votes to be attributed to each candidate taken from the acting auditor sections of the various lists is calculated, dividend the number of votes obtained from each list by the sequential number of each of said candidates; the candidate of the most represented gender with the lowest quotient of candidates taken from all the lists is replaced by that belonging to the less represented gender, where indicated, with the immediately higher sequential number, in the same section of the Acting Auditors of the list of the replaced candidate or, alternatively, in the section of the Alternate Auditors of the same list of the replaced candidate (which in this case takes over the position of the alternate candidate he/she replaces). In the event that candidates of different lists obtain the same quotient, the candidate from the list from which the largest number of auditors is taken or, alternatively, the candidate taken from the list which obtained the least votes will be replaced. For the appointment of auditors, for any reason, not appointed in the manner provided above, the Shareholders' Meeting decides with the legal majorities and in compliance with current legislation regarding gender balance.

It is pointed out that, since this is the second renewal of the Board of Statutory Auditors following the date of entry into force of legislation on gender balance, the share to be reserved for the less represented gender is equal to one third of the Auditors elected, with rounding up in the event of a fractional number.

As regards the above, the Shareholders' Meeting is therefore called upon to appoint the Board of Statutory Auditors for the financial years 2017-2018-2019.

5.3 Determination of the remuneration of the Chairman of the Board of Statutory Auditors and of the Acting Auditors.

With regard to determination of the remuneration of members of the Board of Statutory Auditors, it is recalled that, pursuant to Article 2402 of the Civil Code, the remuneration of Auditors is determined by the ordinary Shareholders' Meeting at the time of appointment, for the entire period of duration of their office.

You are therefore invited to determine the remuneration of the Board of Statutory Auditors based on the proposals that may be submitted by Shareholders even during the Shareholders' Meeting itself.

Tortona, 13 March 2017

for the Board of Directors

the Chairperson

(Stefania Bariatti)