

Arnoldo Mondadori Editore SpA
Registered Office: Milan, Via Bianca di Savoia 12
Milan Register of Companies and Tax Identification Number 07012130584
Fully paid-up share capital 67,451,756.32 Euros

Extraordinary General Meeting of the Shareholders of November 11, 2010

Directors' Report

Amendment of Articles 9, 11, 12, 14, 16, 17, 27 and 28 of the company's articles of association also in relation to the provisions of Legislative Decree no. 27 of January 27, 2010 (implementing Directive 2007/36/EC concerning the exercise of certain rights of the shareholders of listed companies) and Legislative Decree no. 39 of January 27, 2010 (implementing Directive 2006/43/EC concerning the external audit of annual accounts and consolidated accounts); resolutions and mandates pertaining thereto and resulting therefrom.

To the Shareholders:

You have been convened to an extraordinary general meeting to deliberate on the proposal to amend certain provisions of the Articles of Association of Arnoldo Mondadori Editore SpA.

Reasons and description of the proposed changes to the Articles of Association

The proposed amendments are mainly attributable to the need to adjust the Articles to the new provisions of Directive 2007/36/EC concerning the exercise of certain rights of the shareholders of listed companies, transposed into the Italian legal system by Legislative Decree no. 27 of January 27, 2010 (hereinafter Legislative Decree 27/2010), which introduced relevant new legislation concerning, *inter alia*, rules applicable to the shareholder meetings of companies issuing listed securities with regard to convocation, operation and capacity to participate in meetings and exercise the right to vote.

The new legislation – according to the provisions of Art. 7, section 1 of the above-mentioned decree – will take effect starting with meetings whose notice of convocation is published after October 31, 2010. The provisions currently in force will continue to apply until that date.

The amendments to the articles associated with the provisions of the above-mentioned Legislative Decree no. 27 of January 27, 2010 are described as follows:

- procedure for convening the meeting by publishing the notice of convocation on the company's website, without prejudice to additional applicable regulatory provisions, and with the repeal of the existing provision that provides for convocation in the Official Gazette (Articles 9);
- reference to and explanation of the legislation provisions relating to meeting convocation and supplementing the meeting agenda upon the request of minority shareholders (Article 9);
- adjustment of the so-called principle of the "record date," in terms of procedures for the capacity to participate in meetings and exercise the right to vote; Specifically, capacity is attested to by communication to the company, made by the intermediary based on the record as of the deadline of the seventh day of open market prior to the

date scheduled for the meeting, with any changes made after that deadline being irrelevant for the purposes of entitlement to the right to vote (Article 11);

- provision of the power to confer and provide notification of a voting proxy, whether electronically or not, with procedures to be established by the Regulation currently being issued by the Ministry of Justice and cited by Art. 135-*novies*, section 6 of Legislative Decree 58/1998. Any electronic notification of a proxy can be carried out, according to the procedures indicated in the notice of meeting convocation, by using the special section of the Company's website or by sending the proxy document to the Company's official email address (Article 12);
- introduction of the power of the Board of Directors to appoint a party for each meeting to whom the shareholders may grant proxies with voting instruction for all or some proposals on the agenda (Article 12);
- introduction of the power of the Board of Directors to use a single meeting call, whether ordinary or extraordinary, in place of calls following the first, in order to take advantage of any opportunities for organizational and operational simplification, with reference to the provisions of Art. 2369 of the Italian Civil Code as amended by Art. 1 of Legislative Decree 27/2010. In the event of a meeting under single call, the statutory quora required for establishing meetings and passing resolutions, referred to in Art. 2369 of the Civil Code, apply (Article 16);
- adjustment to the new deadlines for filing lists of candidates for the appointment of the Board of Directors and the Board of Statutory Auditors with the company and making them available to the public (25 and 21 days before the meeting, respectively, as opposed to the 15 days currently required); consequent adjustment of the deadline for determining the ownership of the minimum stake for submitting the lists themselves, corresponding to the date of filing the lists with the Company (Articles 17 and 27).

Additional amendments to the Articles that are not associated with the above provisions are also proposed, specifically concerning:

- the increase from the current three to seven as the minimum number of members of the Board of Directors, which can be determined by the shareholders' meeting at the time of appointment, based on the fact that the current provision for the minimum number seems inadequate for the structural needs of the Board of Directors and the Committees within the Board of Directors provided for by the provisions concerning corporate governance (Article 17);
- adjustments, including terminology changes, to the provisions introduced by Legislative Decree no. 39 of January 27, 2010 "Implementation of Directive 2006/43/EC concerning the external audit of annual accounts and consolidated accounts" with adoption of the new wording of "external auditing," carried out by independent auditors, in place of the previous "accounting control" (Articles 27 and 28).
Provision – with reference to meeting resolutions for the conferral of the task of external auditing and determining the fee due to the independent auditors – regarding the possible determination at the shareholders' meeting of the criteria for adjustment of the same fee during the period of performance of the task (Article 28);
- the insertion of the power of the Board of Statutory Auditors to hold its meetings by teleconference in order to simplify operations, similar to what was already provided for meetings of the Board of Directors (Article 27).

A statement is attached as an integral part of this Report comparing the sections of the Articles of Association we suggest changing – as described above – providing the current text and the proposed text.

We specify that, in relation to the issue of the implementing regulations of Legislative Decree no. 27/2010 and in light of the assessment of the impact and operational procedures connected to the provisions introduced by that Legislative Decree, the Board of Directors reserves the right to assess any additional amendments to the Articles proposed at a later shareholders' meeting.

Please note that the proposed amendments do not establish the existence of the right of withdrawal provided for by the current rules.

In view of the above, we submit the amendments of the Articles for your approval, summarized in the attached statement as an integral part of this report, which compares the current text of the Articles and the proposed amendments with the relevant reasoning and we ask you to make the following decision:

"The extraordinary general meeting of the shareholders of Arnoldo Mondadori Editore S.p.A., having examined the report from the Board of Directors

hereby decides

- to amend Articles 9, 11, 12, 14, 16, 17, 27 and 28 of the company's Articles of Association in accordance with the text proposed in the report of the Board of Directors at the extraordinary general shareholders' meeting, attached to these minutes as an integral and essential part of them;*
- to order the Board of Directors and, on its behalf, their current legal representatives, acting individually, to proceed with registration of this decision and the adopted text of the company Articles with the Register of Companies, with the power to make any non-material changes that may be required."*

Arnoldo Mondadori Editore SpA
On behalf of the Board of Directors
The Vice President and Managing Director

(Maurizio Costa)

Present text	Proposed text
<p>Article 12 All Shareholders entitled to take part in Meetings may appoint proxies in writing to represent them in accordance with the law</p>	<p>Article 12 1. Parties entitled to participate in the meeting may appoint proxies in writing to represent them, pursuant to law. 2. The proxy may also be conferred electronically through the procedures established by the regulation of the Ministry of Justice pursuant to Art. 135-<i>novies</i>, section 6, of Legislative Decree no. 58/1998. In that case electronic notification of a proxy can be carried out, according to the procedures indicated in the notice of convocation, by using the special section of the company's website or by sending the proxy document to the Company's official email address. 3. The Board of Directors may appoint a party for each meeting, mentioning it in the pertinent convocation notice, to whom shareholders may confer a proxy, using the procedures provided for by law and regulatory provisions, to be carried out by the end of the second day of open market prior to the date set for the meeting under first or only call, with voting instructions for all or some of the proposals on the agenda. The proxy is only effective for those proposals in relation to which the voting instructions were conferred.</p>
<p>Article 14 1. The Chairman, who may avail himself/herself of persons appointed to do so, ascertains that the those present have the right to take part, checks their identity and entitlement, verifies that the Meeting is properly constituted, governs the proceedings and establishes the result of voting. The results of votes must be reported in the minutes. 2. In accordance with Article 2364, item 6, of the Italian Civil Code, the Ordinary Shareholders' Meeting approves regulations, if any, governing proceedings at Shareholders' Meetings.</p>	<p>Article 14 1. The chairman of the Meeting, who may avail himself of persons appointed to do so, will ascertain that the participants have the right to take part, check their identity and entitlement, verify that the Meeting is properly constituted, govern the proceedings and establish the result of voting; the outcomes of these checks must be recorded in the minutes. 2. unchanged</p>
<p>Article 16 The constitution and the resolutions of Shareholders' Meetings, both Ordinary and Extraordinary, both in first and subsequent calls, are governed by the provisions of Italian law .</p> <p>Board of Directors Article 17 1. The Company is governed by a Board of</p>	<p>Article 16 1. Ordinary and extraordinary meetings provide for the use of calls subsequent to the first as a rule; the Board of Directors, where it deems appropriate, may establish that ordinary and/or extraordinary meetings be held after a single call. 2. The constitution and the resolutions of Shareholders' Meetings, both ordinary and extraordinary, both in first and subsequent calls, or in the event of single call, are governed by the provisions of law.</p> <p>Article 17 1. The company is governed by a Board of</p>

Present text	Proposed text
<p>Directors composed of from three to fifteen members, who must be in possession of the requisites laid down in the primary and secondary legislation in force from time to time. They may be re-elected.</p> <p>2. Before proceeding to appoint the Board, the Shareholders' Meeting decides the number of its members and their term of office in compliance with the statutory time limits.</p> <p>3. The Board of Directors is elected by the Shareholders' Meeting from lists containing the names of not more than fifteen candidates, each matched to a serial number.</p> <p>Candidates may not appear in more than one list, on pain of not being electable.</p> <p>Entitled to submit lists are those shareholders with voting rights that, alone or with other shareholders, represent at least the percentage of share capital, subscribed at the time the lists are submitted, laid down and published by Consob under the Regulations adopted by virtue of Resolution 11971 of 14 May 1999, as subsequently amended and supplemented (hereafter also referred to as the "Issuer Regulations").</p> <p>The percentage shareholding required in order to present lists of candidates for election as members of the Board of Directors is specified in the notice of the Shareholders' Meeting that is called to deliberate the appointment of the Board.</p> <p>Shareholders may neither present nor vote for more than one list, even through a third party or a trust company. Shareholders belonging to the same group - this being construed as the parent company, the subsidiaries and the companies under joint control - and shareholders that are parties to a shareholders' agreement in accordance with Article 122 of Legislative Decree 58/1998 regarding the issuer's shares may neither present nor vote for more than one list, even through a third party or a trust company.</p> <p>Each list consisting of not more than seven candidates must contain the names of at least</p>	<p>Directors composed of from seven to fifteen members, who must be in possession of the requisites laid down in the primary and secondary legislation in force from time to time. They may be re-elected.</p> <p>2. unchanged</p> <p>3. unchanged</p> <p>unchanged</p> <p>unchanged</p> <p>Ownership of the percentage of share capital is determined by referring to the shares that are recorded in the name of shareholders on the day that the list is filed with the Company, with reference to the share capital subscribed on that same date.</p> <p>The pertinent attestation or certification may be communicated or produced even after the list is filed provided that it reaches the Company by the deadline provided for publication of the list by the Company.</p> <p>unchanged</p> <p>unchanged</p> <p>unchanged</p>

Present text	Proposed text
<p>one candidate that meets the requirements for the independent directors of listed companies laid down in Legislative Decree 58/1998 (hereafter also referred to as "Independent Directors in accordance with Legislative Decree 58/1998" or "Independent Director in accordance with Legislative Decree 58/1998"). Each list consisting of more than seven candidates must contain the names of at least two candidates that meet the requirements for Independent Directors in accordance with Legislative Decree 58/1998.</p> <p>Lists are deposited at the Company's registered office at least fifteen calendar days before the day set in first call for the Shareholders' Meeting convened to resolve on the appointment of the Governing Body, accompanied by:</p> <p>(a) information regarding the identity of the shareholders presenting the lists, specifying the total percentage of equity they possess and a certificate showing their title to their holding;</p> <p>(b) a declaration from the shareholders presenting the lists other than those that possess, even jointly, a controlling shareholding or a relative majority shareholding, stating the absence or the presence of any relations with the latter, as required in Article 144 <i>quinquies</i>, paragraph 1, of the Issuer Regulations;</p> <p>(c) full information regarding the personal and professional characteristics of the candidates and declarations from the candidates themselves to the effect that they are in possession of the statutory requirements, that they agree to their candidature; they should also state whether they satisfy the independence requirements laid down in Article 148, paragraph 3, of Legislative Decree 58/1998.</p> <p>Lists presented that do not comply with the above provisions will not be voted.</p> <p>Candidates' names are disclosed to the public at the time and in the manner prescribed by law.</p> <p>Before opening the voting, the Chairman of the Shareholders' Meeting reports any declarations that have been made in accordance with paragraph (b) above and asks the shareholders attending the Meeting that have not deposited or joined in the depositing of lists to state any relations as defined above.</p> <p>If a person that is related to one or more major</p>	<p style="text-align: center;">unchanged</p> <p>Lists are deposited at the Company by the twenty-fifth day prior to the date of the Meeting called by first or only call in order to deliberate on the appointment of the members of the Board of Directors. They are made available to the public at the registered office, on the website and through other means provided for by the applicable regulatory provisions at least twenty-one days prior to the date of the Meeting.</p> <p>The lists contain:</p> <p>a) information regarding the identity of the shareholders presenting the lists, specifying the total percentage of equity they possess and an attestation or certification showing their title to their holding.</p> <p style="text-align: center;">unchanged</p> <p style="text-align: center;">unchanged</p> <p style="text-align: center;">unchanged</p> <p style="text-align: center;">repealed</p> <p>Before opening the voting, the Chairman of the Shareholders' Meeting reports any declarations that have been made in accordance with paragraph (b) above and asks the participants attending the Meeting that have not deposited or joined in the depositing of lists to state any relations as defined above.</p> <p style="text-align: center;">unchanged</p>

Present text	Proposed text
<p>potential Board of Directors composed respectively of up to seven or more than seven members, and should, respectively, at least one or two Directors not have been elected that possess the requirements for independent directors of listed companies laid down in Legislative Decree 58/1998, the following procedure will be adopted:</p> <p>a) for a Board of Directors composed of up to seven members, the candidate that would have been the last elected on the basis of the progressive quotient system, taken from the list that obtains the highest number of votes, is replaced by the candidate that satisfies the above requirements with the next lowest quotient from the same list;</p> <p>b) for a Board of Directors composed of more than seven members, the two candidates that would have been the last elected on the basis of the progressive quotient system, taken from the list that obtains the highest number of votes, are replaced by the first two candidates that satisfy the above requirements with the next lowest quotients from the same list;</p> <p>c) for a Board of Directors composed of more than seven members with only one person possessing the said requirements, the procedure to adopt for the election of the second candidate is that set out in section (a) above.</p> <p>4. If only one list is presented, the Shareholders' Meeting expresses its vote on the list and, if it obtains the majority required in accordance with Article 2368 ff. of the Italian Civil Code, the candidates progressively numbered in the list are elected until the number of Directors set by the Shareholders' Meeting is reached.</p> <p>The candidate in the first place in the list has the position of Chairman of the Board of Directors.</p> <p>After the above process, should there be a potential Board of Directors composed respectively of up to seven or more than seven members, and should, respectively, at least one or two Directors not have been elected that possess the requirements for independent directors of listed companies laid down in Legislative Decree 58/1998, the candidate or two candidates that would have been the last elected on the basis of the progressive order in the list, taken from the only list presented, is or are, respectively, replaced by the candidate or first two candidates that satisfy the said requirements in the next lowest place or places.</p> <p>5. If there are no lists, or if the number of candidates elected by means of the list mechanism is lower than the number of Directors set by the Shareholders' Meeting, the Board of</p>	<p>unchanged</p> <p>unchanged</p> <p>unchanged</p> <p>4. unchanged</p> <p>unchanged</p> <p>unchanged</p> <p>5. unchanged</p>

Present text	Proposed text
<p>Directors is, respectively, either appointed or completed by the Shareholders' Meeting by the statutory majorities.</p> <p>6. If one or more Directors leave office for any reason, those still serving replace them by co-option in accordance with and to the effects of Article 2386 of the Italian Civil Code, it remaining obligatory to comply with the minimum number of Independent Directors in accordance with Legislative Decree 58/1998.</p> <p>When the Shareholders' Meeting appoints Directors to replace others that have left office, even after they have been co-opted, it does so by the statutory majorities, observing the obligation to comply with the minimum number of Independent Directors laid down in Legislative Decree 58/1998.</p> <p>Board of Statutory Auditors</p> <p>Article 27</p> <p>1. The Ordinary Shareholders' Meeting elects the Board of Statutory Auditors, consisting of three Regular Statutory Auditors and two Alternate Statutory Auditors, who remain in office for three financial periods, their terms expiring on the date of the Shareholders' Meeting convened to approve the financial statements for the third financial period of their office; they may be re-elected.</p> <p>All auditors must be listed in the Register of Statutory Auditors kept by the Ministry of Justice and must have no fewer than three years' experience in professional practice as an official auditor.</p> <p>The auditors must furthermore possess the current legal and regulatory requirements, and the Board of Directors verifies the existence thereof.</p> <p>2. Auditors are elected from lists presented by shareholders adopting the following procedure. The lists contain a number of progressively numbered candidates. Each list has two sections: one for candidates for the office of Regular Statutory Auditor and one for candidates for the office of Alternate Statutory Auditor. Each candidate may appear in a single list, on pain of being unelectable.</p> <p>Each list must contain the name of at least one Regular Statutory Auditor and one Alternate Statutory Auditor.</p> <p>3. Entitled to submit lists are those shareholders with voting rights that, alone or with other shareholders, represent at least the percentage of share capital, subscribed at the time the lists are submitted, laid down, referred to and published by Consob for the presentation of lists of candidates for electing the Board of Directors under the Regulations adopted by virtue of</p>	<p>6.</p> <p style="text-align: center;">unchanged</p> <p style="text-align: center;">unchanged</p> <p>Article 27</p> <p>1.</p> <p style="text-align: center;">unchanged</p> <p>All auditors must be listed in the Register of external auditors and auditing firms established by law and must have no fewer than three years' experience in professional practice as an official auditor.</p> <p style="text-align: center;">unchanged</p> <p>2.</p> <p style="text-align: center;">unchanged</p> <p style="text-align: center;">unchanged</p> <p>3. Entitled to submit lists are those shareholders with voting rights that, alone or with other shareholders, represent at least the percentage of share capital, subscribed at the time the lists are submitted, laid down, referred to and published by Consob for the presentation of lists of candidates for electing the Board of Directors under the Issuer Regulations.</p>

Present text	Proposed text
<p>Resolution 11971 of 14 May 1999, as subsequently amended and supplemented (hereafter also referred to as the "Issuer Regulations").</p> <p>The percentage shareholding required in order to present lists of candidates for election as members of the Board of Statutory Auditors is specified in the notice of the Shareholders' Meeting that is called to deliberate the appointment of said Board.</p> <p>Shareholders may neither present nor vote for more than one list, even through a third party or a trust company. Shareholders belonging to the same group - this being construed as the parent company, the subsidiaries and the companies under joint control - and shareholders that are parties to a shareholders' agreement in accordance with Article 122 of Legislative Decree 58/1998 regarding the issuer's shares may neither present nor vote for more than one list, even through a third party or a trust company.</p> <p>4. Lists are deposited at the Company's registered office at least fifteen calendar days before the day set in first call for the Shareholders' Meeting convened to resolve on the appointment of the Statutory Auditors, accompanied by::</p> <p>a) information regarding the identity of the shareholders presenting the lists, specifying the total percentage of equity they possess and a certificate showing their title to their holding;</p> <p>b) a declaration from the shareholders presenting the lists other than those that possess, even jointly, a controlling shareholding or a relative majority shareholding, stating the absence or the presence of any relations with the latter, as required in Article 144 quinquies, paragraph 1, of the Issuer Regulations</p> <p>c) full information regarding the personal and professional characteristics of the candidates</p>	<p>Ownership of the percentage of share capital is determined by referring to the shares that are recorded in the name of shareholders on the day that the list is filed with the Company, with reference to the share capital subscribed on that same date.</p> <p>The pertinent attestation or certification may be communicated or produced even after the list is filed provided that it reaches the Company by the term provided for the publication of the list by the Company.</p> <p>unchanged</p> <p>unchanged</p> <p>4. Lists are deposited at the Company by the twenty-fifth day prior to the date of the Meeting called by first or only call in order to deliberate on the appointment of the members of the Board of Directors. They are made available to the public at the registered office, on the website and through other means provided for by the applicable regulatory provisions at least twenty-one days prior to the date of the Meeting.</p> <p>The lists contain:</p> <p>a) information regarding the identity of the shareholders presenting the lists, specifying the total percentage of equity they possess and an attestation or certification showing their title to their holding.</p> <p>unchanged</p> <p>unchanged</p>

Present text	Proposed text
<p>and declarations from the candidates themselves to the effect that they are in possession of the statutory requirements and the requirements laid down in these Articles of Association and that they agree to their candidature.</p> <p>Persons in positions of governance and control to an extent higher than that laid down in the laws and regulations in force may not be elected as Statutory Auditors.</p> <p>5. In the event that only one list has been deposited by the deadline of fifteen calendar days before the date set for the first call of the Shareholders' Meeting that is to decide on the appointment of the Statutory Auditors, or only lists presented by shareholders who are related to each other as per Article 144 <i>quinquies</i> of the Issuer Regulations, lists may be deposited up to the fifth calendar day after this date. In this case the participation qualification specified in paragraph 3 above is reduced by half.</p> <p>6. Lists presented that do not comply with the above provisions will not be voted.</p> <p>7. Candidates' names are disclosed to the public at the time and in the manner prescribed by law.</p> <p>8. Before opening the voting, the Chairman of the Shareholders' Meeting reports any declarations that have been made in accordance with paragraph (b) above and asks the shareholders attending the Meeting that have not deposited or joined in the depositing of lists to state any relations as defined above.</p> <p>If a person that is related to one or more major shareholders has voted for a minority list, the existence of such a relationship is only relevant if the vote has been decisive in the election of a Statutory Auditor.</p> <p>9. The procedure for the election of Statutory Auditors is as follows:</p> <p>a) two Regular Statutory Auditors and one Alternate Statutory Auditor are chosen from the list that has obtained the greatest number of votes, based on the progressive order in which they are named in the sections of the list;</p> <p>b) one Regular Statutory Auditor and one Alternate Statutory Auditor are chosen from the list that has obtained the second highest number of votes at the Shareholders' Meeting and that, in accordance with the provisions of current rules, including regulations, are not related, even indirectly, to the shareholders who presented or</p>	<p style="text-align: center;">unchanged</p> <p>5. In the event that only one list has been deposited by the deadline of twenty-five days before the date set for the first or only call of the Shareholders' Meeting that is to decide on the appointment of the Statutory Auditors, or only lists presented by shareholders who are related to each other as per Article 144 <i>quinquies</i> of the Issuer Regulations, lists may be deposited up to the fourth day after this date, unless another inviolable deadline is required by the applicable legislative provisions in force from time to time. In this case the participation qualification specified in paragraph 3 above is reduced by half.</p> <p>6. unchanged</p> <p>7. repealed</p> <p>7. Before opening the voting, the Chairman of the Shareholders' Meeting reports any declarations that have been made in accordance with paragraph (b) above and asks the participants attending the Meeting that have not deposited or joined in the depositing of lists to state any relations as defined above.</p> <p style="text-align: center;">unchanged</p> <p>8. unchanged</p> <p style="text-align: center;">unchanged</p>

Present text	Proposed text
<p>voted for the list that obtained the greatest number of votes, based on the progressive order in which they are named in the sections of the list. In the event that a number of lists obtain the same number of votes, a new round of voting takes place between these lists, electing the candidates of the list that obtains the simple majority of votes.</p> <p>10. The first-placed candidate in the section containing the candidates for Regular Statutory Auditor of the list that obtained the second highest number of votes is chosen as the Chairman of the Board of Statutory Auditors.</p> <p>11. If only one list is presented, the Shareholders' Meeting expresses its vote on the list and, if it obtains the majority required in accordance with Article 2368 ff. of the Italian Civil Code, the three candidates progressively numbered in the corresponding section are elected as Regular Statutory Auditors and the three candidates progressively numbered in the other section are elected as Alternate Statutory Auditors. The candidate in the first place in the list of candidates as Regular Statutory Auditors has the position of Chairman of the Board of Statutory Auditors.</p> <p>12. If there are no lists, or if the number of candidates elected by means of the list mechanism is lower than the number of Statutory Auditors set by these Articles of Association, the Board of Statutory Auditors is, respectively, either appointed or completed by the Shareholders' Meeting by the statutory majorities.</p> <p>13. If a number of lists have been presented, in the event of the replacement of a Statutory Auditor the successor must come from the same list as that of the his or her predecessor.</p> <p>If the Chairman is replaced, his or her successor also takes on the position of Chairman of the Board of Statutory Auditors.</p> <p>When the Shareholders' Meeting is to appoint Regular Statutory Auditors and/or Alternate Statutory Auditors as necessary to re-integrate the Board of Statutory Auditors, it will proceed as follows. Should Statutory Auditors elected from the majority list need to be replaced, their successors are appointed by a relative majority without list constraints; on the other hand, if Statutory Auditors from a minority list are to be replaced, the Shareholders Meeting does so by a relative majority vote, choosing from among the candidates indicated in the list to which the Statutory Auditors to be replaced belonged or, as a second option, from among the candidates contained in any additional minority lists.</p> <p>If there are no candidates in the minority list(s),</p>	<p>9. unchanged</p> <p>10. unchanged</p> <p>11. unchanged</p> <p>12. unchanged</p> <p>unchanged</p> <p>unchanged</p> <p>unchanged</p> <p>unchanged</p>

Present text	Proposed text
<p>the appointments are made by voting one or more lists, made up of a number of candidates not greater than those to be elected, presented prior to the meeting in compliance with the provisions laid down in this Article for the appointment of the Board of Statutory Auditors. Lists may not be presented (and if presented they are void) by major shareholders or the shareholders related to them, as defined by current legal and regulatory provisions. The candidates in the list that obtains the greatest number of votes will be elected.</p> <p>If no lists are presented in compliance with the above, appointments are made by a majority vote without list constraints.</p> <p>14. In any circumstances in which the Chairman is to be replaced, the incoming Statutory Auditor also takes on the office of Chairman of the Board of Statutory Auditors.</p> <p>15. The Shareholders' Meeting determines the remuneration payable to the Statutory Auditors and the refund of the costs sustained in the performance of their duties</p> <p>16. The powers and duties of the Statutory Auditors are those established by law.</p> <p>External Auditing Article 28 An auditing firm is responsible for accounting controls. The provisions of the laws in the matter apply to its appointment, duties, powers and responsibilities.</p>	<p style="text-align: center;">unchanged</p> <p>13. unchanged</p> <p>14. unchanged</p> <p>15. unchanged</p> <p>16. The meetings of the Board of Statutory Auditors may also be held by telecommunication, on the condition that all the participants may be identified and that such identification is recorded in the pertinent minutes and that they are permitted to follow the discussion and participate in real time in the discussions on the issues covered, exchanging documentation where necessary; in that case, the meeting of the Board of Statutory Auditors will be considered held in the place where the person presiding over the meeting is located.</p> <p>EXTERNAL AUDITING Article 28 External auditing is carried out by an auditing firm registered with the Register of external auditors and auditing firms established by law. The provisions of the laws in the matter apply to its appointment, duties, powers and responsibilities. The Shareholders' Meeting held to confer the appointment will determine the fee due to the external auditing firm for the full duration of its duties and any criteria for adjustment of this fee during the period of performance of the appointment.</p>