

# ***ARTICLES OF ASSOCIATION***

## **SECTION I**

### **CORPORATE NAME – REGISTERED OFFICE – PURPOSE - DURATION**

Article 1) – A joint-stock company has been incorporated under the name of

#### **"GRUPPO COIN - Società per Azioni"**

To distinguish its activity, both in Italy and abroad, the Company may use an abbreviated form of its corporate name: "**G.C. - S.p.A.**".

Article 2) – The Company's registered office is in Venice.

The Board of Directors has the power to set up and close down operating offices or subsidiary offices both in Italy and abroad.

Article 3) – The Company's corporate purpose consists in:

- all forms of retail trading, as well as wholesale trading, of all types of goods or products, including foodstuffs, personal items, household items, items for work and leisure;
- provision of any service;
- organisation and running of shopping centres, sales stores, public concerns and related services such as hairdresser, beautician and beauty parlours services;
- manufacture on a direct basis or through third party companies of all products traded by the Company.

The Company may also:

- purchase, sell, exchange land and buildings, build or order the building of any property, whether for civil, commercial or industrial use;
- rent any property, transform it and equip it with installations for the use intended by the Company; lease out or sub-lease any property or part thereof, owned by the Company or by third parties;
- rent any business concerns performing commercial activity or producing goods and services;
- purchase, sell and exchange any moveable asset;
- acquire shareholding interests in other companies; provide for funding and technical, commercial, industrial and financial coordination of the companies in which it holds an interest; purchase and sell public and private securities, ordinary and convertible bonds, Italian and foreign shares and corporate shares;

- promote studies and research in every operational sector of corporate activity; grant third parties the use of patents, trademarks, business models and processes; technical, commercial and organisational consultation; acquire from third parties building licences or exclusive sales concessions, consultation, licences to exploit names, trademarks, patents.

In relation to the aforesaid purposes the Company may perform all real estate, security, financial and business transactions, including the raising of mortgages and loans in general and the granting of endorsements, sureties and guarantees, including mortgage guarantees, even in favour of third parties, that are deemed pertinent, related or useful to achievement of the corporate purpose.

Article 4) – The Company’s duration is established as up to 31 (thirty-first) January 2100 (two thousand one hundred) and may be extended.

## **SECTION II**

### **SHARE CAPITAL AND SHARES**

Article 5) – The share capital is equal to € 13,213,931.20= (thirteen million two hundred and thirteen thousand nine hundred and thirty-one point twenty) divided into 132,139,312= (one hundred and thirty-two million one hundred and thirty-nine thousand three hundred and twelve) shares each with a par value of € 0.10 (zero point ten).

Assets in kind and credits may be contributed, if requested by resolution to increase share capital.

Article 6) – Shares are in registered or bearer form, pursuant to the law.

With regard to their relations with the Company, shareholders are legally domiciled, for all intents and purposes, at the address entered in the Shareholders Register.

Article 7) – The Company may raise interest-bearing and non-interest bearing loans, including from shareholders, in compliance with applicable laws in force.

Article 8) – The Company may issue convertible and non-convertible bonds within the limits and according to the provisions of the law.

The issue of non-convertible bonds must be passed by Directors’ resolution, pursuant to Article 2410 of the Italian Civil Code.

Article 9) Pursuant to Article 2441, sub-section 4, of the Italian Civil Code, the option right on new issue shares may be excluded, within the limit of 10% of the pre-existing share capital, provided that the issue price corresponds to the market value of the shares and this is confirmed by special report issued by the company appointed to perform the audit.

## **SECTION III**

### **SHAREHOLDERS’ MEETINGS**

Article 10) – Shareholders’ Meetings are called by the Board of Directors in the town or city in which the Company registered office is located or elsewhere, provided the venue is in Italy.

Shareholders' Meetings are called according to the procedures and terms set forth by law.

The notice of call, containing specification of the date, time and venue of the meeting and listing the business to discuss, must be published, within the terms provided by laws in force, in the notices page of the Office Gazette. The notice of call may contain specification of second or third call on other days, should the meetings in first and second fail to be attended.

In the absence of formal call, Shareholders' Meetings are deemed regularly constituted when the entire share capital is represented and the majority of Directors and Statutory Auditors holding office attend. However, in this case, any of the participants may object to discussion of business on which they do not deem to be sufficiently informed.

Article 11) – Shareholders are entitled to withdraw in the cases and according to the procedures and terms provided by law. The right to withdrawal is excluded in the cases set forth in Article 2437, sub-section 2, letter a) and b), of the Italian Civil Code (extension of term; introduction and removal of restrictions on circulation of shares).

Article 12) – The Ordinary Shareholders' Meeting for approval of the financial statements must be called at least once a year, within one hundred and twenty days of closure of the corporate year, or, in the cases provided by Article 2364, sub-section 2, of the Italian Civil Code, within one hundred and eighty days of closure of the corporate year.

The reasons for the extension are mentioned in the Directors' Report on Operations prescribed by Article 2428 of the Italian Civil Code

The Extraordinary Shareholders' Meeting is called when the Board of Directors sees fit and in the cases provided by law.

The Extraordinary Shareholders' Meeting deliberates in first, second and third call, with the majorities provided by law.

Article 13) – The right to attend the Meeting is governed by the law, by the provisions set forth hereunder and by the Shareholders' Meeting Regulations.

The Meeting may be attended, in compliance with provisions of the law, by those entitled to vote holding certificate issued by the intermediary entrusted with keeping the accounts. Said certificate states that the shares held in dematerialised form and subject to centralised management have been filed at least two days prior to the Meeting, and is notified to the Company in compliance with laws in force.

Each shareholder entitled to attend the Shareholders' Meeting may be represented by proxy pursuant to legislative and regulatory provisions in force.

The Chairman of the Shareholders' Meeting is responsible for verifying the regulatory of each proxy and in general the right to attend the Meeting.

Article 14) – The Shareholders' Meeting is chaired by the Chairman of the Board of Directors or by his deputy or, in their absence, by the person appointed by those present.

The Chairman is assisted by a Secretary appointed by the Meeting and who need not be a shareholder.

In the circumstances provided by law, or when the Chairman of the Meeting deems appropriate, the minutes are drawn up by a Notary Public appointed by said Chairman, in which case the presence of the Secretary is not required.

## **SECTION IV**

### **ADMINISTRATION**

Article 15) – The Company is administered by a Board of Directors, made up of 9 (nine) members, appointed by Shareholders’ Meeting as follows.

Directors remain in office for three financial years and their term expires on the date of the Shareholders’ Meeting called to approve the financial statements relating to the last year of their term of office.

Members of the Board of Directors are elected on the basis of lists of candidates and in accordance with the procedures set forth below.

Lists for appointment of members of the Board of Directors may be submitted by one or more shareholders who, at the date the lists are submitted, hold a number of shares entitling them to vote in resolutions relating to appointment of members of the administration and control bodies (“Significant Shares”) representing at least 2.5% of share capital, or, if otherwise, the maximum shareholding required for submission of lists by applicable legislative and regulatory provisions (“Shareholding”). The Shareholding will be specified in the notice of call of the Shareholders’ Meeting convened to deliberate on appointment of the Board of Directors.

The lists must:

- (a) be accompanied by notice provided by the authorised intermediaries as prescribed by Article 13 above proving title to the number of Significant Shares representing at least the Shareholding;
- (b) be accompanied by specification of the identity of the shareholders submitting the lists, with indication of the percentage of share capital represented by the total Significant Shares held by said shareholders at the date the list is submitted;
- (c) contain specification of a minimum number of candidates of no less than the minimum number of independent candidates that must be presented on each list, numbered progressively;
- (d) be accompanied by thorough information on the candidates’ personal and professional characteristics;
- (e) specify the candidates who possess the requisites of independence and be accompanied by declaration of these candidates stating the existence of said requisites; to this end reference must be made to the requisites of independence established by applicable legislative and regulatory provisions for statutory auditors of companies whose shares are listed on Italian regulated markets and to the codes of conduct drawn up by the company managing the market to which the Company has adhered; and

(f) specify amongst the candidates presented at least two independent candidates that have the characteristics specified in letter e) above and who have issued the declaration provided by said letter e).

If just once of the aforesaid requisites is absent, the list will not be considered to have been submitted.

Each list must be filed at the Company's registered office or at its administrative headquarters, during office hours, at least fifteen days before the date set for the meeting in first call, under penalty of forfeiture.

Each shareholder may, personally, through a third party or through trust companies, submit and vote for only one list of candidates. In the event of breach on the part of one or more shareholders of this provision, no account will be taken of the backing given to any of the lists or of the favourable votes expressed in favour of any of the lists on the part of said shareholder/s. The same provision applies to shareholders belonging to the same group (by which are meant the companies directly or indirectly controlled by and the companies directly or indirectly subject to common control or associated with the shareholder in question) as well as to shareholders who are, directly or indirectly, party to a shareholders' agreement or to agreements or pacts pertaining to the shares of Gruppo Coin S.p.A. Each candidate may put forward his name on only one list, under penalty of ineligibility. Each shareholder's vote will refer to the list and hence automatically to all the candidates stated therein, without variations, additions or exclusions being possible.

Together with each list and within the time limit provided for filing at the Company's registered office or administrative headquarters, during office hours, it is also necessary to file the declarations with which each of the candidates state, under their own responsibility, the inexistence of cause of ineligibility and incompatibility and the existence of the requisites prescribed by laws in force and by these Articles of Association to fulfil the office of Director of the Company.

For the purposes of allocation of the directors to be elected, account will be taken only of the lists that have achieved at least 50% of the exercisable votes with reference to the Significant Shares representing the Shareholding (the "Significant Lists"). Hereinafter the minimum percentage of votes, as defined above, will be indicated as "Minimum Threshold".

When voting has been completed the following will be elected: (i) eight candidates from the Significant List that achieved the highest number of votes; the first eight candidates listed in progressive order on said list will be elected, and (ii) the first candidate taken from the Significant List that achieved the second highest result and that is in no way linked, not even indirectly, to the shareholders that submitted or voted for the list that came first in terms of number of votes.

If only one list is submitted, also taking into account the provisions of paragraphs 6 and 7 above, and provided said list obtained a number of votes equal to at least the majority of share capital, the Board of Directors will be made up of the first 9 candidates of said list. If no list achieves a number of votes equal to at least the majority of share capital or no list is submitted, the Shareholders' Meeting will deliberate with the majorities provided by law.

Two independent directors will be taken from the Significant List achieving the highest number of votes. If, in applying this provision, the directors taken from the Significant List

achieving the highest number of votes do not include at least two independent directors, the last eligible candidate from said list that does not possess the requisites of independence will be excluded. The excluded candidate will be replaced by another candidate possessing the requisites of independence taken from the same list as the excluded candidate.

If during the year one or more directors taken from the list achieving the highest number of votes can no longer hold office, the steps provided in Article 2386 of the Italian Civil Code will be taken. If the outgoing director was taken from the list that achieved the second highest result, he will be replaced by appointing a person taken, in progressive order, from the same list as the outgoing director and who is still eligible and willing to accept the office or, if this is not possible, by appointing a person taken, according to progressive order within the Significant List, from one of the Significant Lists achieving third, then fourth place and so on and provided said person is still eligible and willing to accept the office. If it is not possible to comply with the above, the provisions of Article 2386 of the Italian Civil Code will be implemented.

If during the year one or more independent directors taken from the list achieving the highest number of votes can no longer hold office, the following steps will be taken:

- (a) if despite the fact that one or more of said directors can no longer hold office, at least two independent directors still remain in office, the provisions of Article 2386 of the Italian Civil Code will be implemented;
- (b) if as a result of the fact that one or more of said directors can no longer hold office, there are no longer at least two independent directors, the provisions of Article 2386 of the Italian Civil Code will be implemented, but replacement must be made by appointing one or two persons, as the case may be, who possess the requisites of independence.

For confirmation or replacement of a director co-opted by resolution of the Board of Directors, the Shareholders' Meeting will act according to law, so as to respect, as far as possible, the principle of representation of minorities and the presence of at least two independent directors.

If, for any reasons, three Directors appointed by Shareholders' Meeting should no longer be able to hold office, even at different times, the entire Board will fall from office and a Shareholders' Meeting must be urgently called to appoint a new Board of Directors. The Board will fall with effect from appointment of the new Board, but the Directors remaining in office may in the meantime only perform acts of ordinary administration.

The Shareholders' Meeting establishes the fees of the Board of Directors and those of the Executive Committee.

Said fees will remain unchanged until further resolution of the Shareholders' Meeting and will be divided amongst those entitled as established by the Board of Directors.

Directors are also entitled to refund of the expenses and charges incurred in performance of their duties.

Article 16) – The Board of Directors may appoint one or more Deputy Chairmen, establishing their duties. In the event of absence or incapacity of the Chairman, his duties will

be fulfilled by the Deputy Chairman appointed to this role by the Board of Directors, or where no such appointment is made, by the more senior Deputy Chairman in terms of office, or in the event of equal seniority of office, the most senior in age.

The Board may also appoint one or more managing directors and/or general managers, establishing their duties.

The Board may appoint a secretary, who need not be a board member.

Article 17) – The Board of Directors may delegate to one or more of its members all or part of its duties, without prejudice to the limitations established by law and those for which a qualified majority is required pursuant to Article 20 below of these Articles of Association.

Article 18) – During the meetings and at least once every two months, the Board of Directors and the Board of Statutory Auditors are informed, also through the delegated bodies, on management performance and on activity performed by the Company and by its subsidiaries, on the business outlook, on transactions of greater importance in economic, financial and equity terms, with particular regard for transactions in which Directors have a personal or third party interest or that are influenced by the subject exercising the activity of direction and coordination.

Article 19) – The Board of Directors meets at the Company's head office or elsewhere, at least once every two months, upon call of the Chairman or his deputy, to be provided, excepting in urgent circumstances, at least five days before the date set for the meeting, with the procedures for call being left to the Chairman's discretion.

The Board of Directors may also be called, subject to prior notice to the Chairman of the Board of Directors, by the Board of Statutory Auditors or by a member of the Board.

Board meetings may be held through teleconference or videoconference, provided that all those taking part can be identified, can follow the debate and participate in the discussion of business on the agenda in real time and receive, transmit or view documents and can examine and deliberate at the same time.

The Board meeting is considered to take place at the venue to which it was called.

Board meetings are chaired by the Chairman or, in the event of his absence, by the Deputy Chairman or by a Managing Director, if appointed; in their absence, by the director appointed by the meeting itself.

Article 20) – The Board of Directors is vested with full powers for the ordinary and extraordinary administration and management of the Company, without any exception, and has the authority to perform all the transactions necessary to implementation of the corporate purpose, excluding those that the law strictly reserves to the Shareholders' Meeting.

Specifically, in addition to the issue of non-convertible bonds, the following are assigned to the authority of the Board of Directors:

- creation of dedicated assets, pursuant to Article 2447-bis of the Italian Civil Code;
- merger in the cases provided by Articles 2505 and 2505-bis of the Italian Civil Code;

- setting up and closing down of secondary offices;
- specification of which Directors may represent the Company;
- reduction of capital in the event of shareholder withdrawal;
- adjustment of the Articles of Association to comply with legal provisions;
- relocation of the head office to another town or city in Italy.

A meeting of the Board of Directors is validly constituted and deliberates with the majorities provided by the law, with the exception of resolutions pertaining to the following subjects for which the Board of Directors will be validly constituted with the presence of at least 7 (seven) of its members and will deliberate with the favourable vote of at least 7 (seven) members:

(i) mergers, reverse mergers, contributions, acquisitions, divestment of assets or shareholdings or other transactions of an extraordinary nature concerning the Company or Group companies, each exceeding the value of € 150,000,000.00 (with the exception of transactions which are implemented between two or more Group companies);

(ii) merger with, or acquisition of, La Rinascente S.p.A. or companies owned by the latter or deriving from any transformation thereof, or acquisition of divisions belonging to the aforesaid entity;

(iii) transfer, for any account, even without consideration, including through contribution and exchange, of shareholdings in Oviessa S.r.l. or of the company or of business concerns belonging to the aforesaid Oviessa S.r.l.;

(iv) implementation or amendment of incentive plans for employees of the Company or of Group companies;

Directors who abstain or who have declared their involvement in a conflict of interest are not counted for the purpose of calculating the majority.

Article 21) – The Chairman of the Board of Directors and the Managing Director are entitled to legal representation of the Company before third parties and in court.

## **SECTION V**

### **BOARD OF STATUTORY AUDITORS**

Article 22) – The Board of Statutory Auditors is made up of three standing and two alternate members.

In relation to the provisions of Article 1 of Decree of the Ministry of Justice no. 162 dated 30 March 2000 and subsequent amendments, it is specified that matters and sectors relating to the trading and in particular marketing and corporate economy are strictly pertinent to the Company's activity.

Article 23) – The Shareholders’ Meeting that elects the Statutory Auditors also establishes the emoluments to which the Chairman and the other Standing Auditors are entitled.

The entire Board of Statutory Auditors is appointed on the basis of lists submitted by shareholders which must be filed at the Company’s registered office or administrative headquarters.

The lists, in which the candidates are listed by progressive number, contain two sections: one for the candidates to the office of standing auditors and the other for the candidates to alternate auditor. The section reserved to alternate auditors may specify a number of candidates.

Each candidate appearing on the list must possess the requisites of integrity and professionalism provided by laws in force; candidates must not be affected by the situations of incompatibility specified by the law and must not exceed the limit to the number of offices that can be held established by legislative and regulatory provisions in force.

For the purposes of submission of the lists, election of the members of the Board of Statutory Auditors, as well as replacement of any outgoing members, the legislative and regulatory provisions in force will apply, without prejudice to the fact that:

- (a) lists may only be submitted by the shareholder or shareholders who, at the time of their submission, hold at least the Shareholding, as defined in Article 15 hereunder; the Shareholding will be specified in the notice of call of the Shareholders’ Meeting convened to deliberate on appointment of the Board of Statutory Auditors;
- (b) suitable proof of title to the Shareholding is provided by the notice of the authorised intermediaries prescribed by Article 13 above which must be attached to the list
- (c) election of the members of the Board of Statutory Auditors occurs as follows:
  - i. from the list achieving the highest number of votes two standing and one alternate auditor are elected, in the progressive order in which they appear in the section of the list;
  - ii. from the list achieving the second highest number of votes in the Shareholders’ Meeting, in compliance with the law, one standing auditor is elected, who will also be appointed Chairman of the Board of Statutory Auditors, and an alternate auditors, according to the progressive order with which they are listed in the respective sections of the list.
- (d) in the event of votes being equal between two or more lists, the candidates of the list that was submitted by the shareholders holding the greatest number of Significant Shares will be elected or, subordinately, the candidates of the list that was submitted by the greatest number of shareholders;
- (e) in the event that one of the standing majority auditors can no longer hold office, the alternate auditor taken from the majority list will take his place;
- (f) in the event that one of the standing minority auditors can no longer hold office, the alternate auditor taken from the minority list will take his place;

- (g) the Shareholders' Meeting held to deliberate on integration of the Board of Statutory Auditors will proceed with appointment or replacement of the members of said board in compliance with the principle of necessary representation of minorities.

In the event that upon expiry of the terms established by the applicable legislative and regulatory provisions only one list of candidates is submitted, the Board of Statutory Auditors will be made up of the candidates of said list provided that said list achieved a number of votes equal to at least the majority of share capital. In the event that no list achieved a number of votes equal to at least the majority of share capital or that no list was submitted, the Shareholders' Meeting will deliberate with the majorities provided by the law.

The powers, duties and term of office of the Board of Statutory Auditors and the individual auditors are those established by law.

Meetings of the Board of Statutory Auditors may be held through teleconference or videoconference, provided that all those taking part can be identified, can follow the debate and participate in the discussion of business on the agenda in real time and receive, transmit or view documents and can exam and deliberate at the same time.

#### AUDIT

Article 24) – The audit is performed by an auditing company, appointed and functioning pursuant to law.

The audit activity is recorded in a special register held at the Board secretary's office.

#### DRAWING UP OF CORPORATE ACCOUNTING DOCUMENTS

Article 25) – The Board of Directors, having consulted the Board of Statutory Auditors, appoints a person in charge of drawing up corporate accounting documents who will perform the duties assigned thereto by the applicable legislative and regulatory provisions.

The person in charge of drawing up corporate accounting documents must (i) hold the post of Company executive; (ii) have gained a total of at least three years' experience in the performance of (a) administrative and control activity or executive duties in companies, or (b) professional or permanent university teaching activity in legal, economic, financial and technical-scientific subjects, or (c) administrative or executive functions for public entities or public administration working in the credit, financial and insurance sector; and (iii) not (a) be affected by one of the conditions of ineligibility or forfeiture provided by Article 2382 of the Italian Civil Code;

(b) be subject to preventive measures ordered by legal authorities pursuant to Law no. 1423 dated 27 December 1956 or Law no. 575 dated 31 May 1965, without prejudice to the effects of rehabilitation; (c) have been sentenced with irrevocable judgment, without prejudice to the effects of rehabilitation; 1) to custodial sentence for one of the offences provided by the laws governing banking, financial, stock market and insurance activity and by the laws pertaining to markets, securities and payment instruments;

2) to imprisonment for one of the criminal offences provided in Section XI of Volume V of the Italian Civil Code and in Royal Decree no. 267 dated 16 March 1942;

3) to imprisonment for a period of no less than one year for a criminal offence against public administration, against public faith, against heritage, against public order, against public economy or for a tax-related offence;

4) to imprisonment for a period of no less than two years for any non-culpable criminal offence.

## **SECTION VI**

### **FINANCIAL STATEMENTS AND DISTRIBUTION OF PROFITS**

Article 26) – The financial year closes on 31<sup>st</sup> day of the month of January of each year.

Article 27) – Net profits, after deduction of the share established for legal reserve, are distributed according to decision of the Shareholders' Meeting, which may provide that the profit for the year is fully or partially carried forward or allocated to reserve.

The Board of Directors may pass resolution to distribute interim dividends, in the cases, according to the procedures and within the limits provided by law provisions in force.

Article 28) – Dividends that are not collected within five years from the date in which they become collectible will revert to the Company.

## **SECTION VII**

### **LIQUIDATION**

Article 29) - In the event of wind-up of the Company one or more liquidators will be appointed and their powers will be established according to law.