

## **BY-LAWS**

### **Article 1**

#### **Name**

The company name is **SEC S.p.A.**

### **Article 2**

#### **Office**

The company is headquartered in the municipality of Milan.

### **Article 3**

#### **Object**

The object of the company is the design, development and realization of communication services for enterprises, organisations, institutions and persons, and in particular:

- Advocacy activities and projects – public affairs, lobbying, community relations, issue management aimed at representing and protecting applications and interests and to create *consensus* among decision makers, influencers and the general public;
- Public relations activities projects (branding, economic-financial communications, crisis management, customer relations, internal communications, corporate social responsibility), aimed at the construction, enhancement and protection of reputation and corporate positioning, the launch of products and services, and the protection of brand equity.

Including directly and indirectly:

- Production of services and operational tools related to communication strategies, such as *media* relations, stakeholder engagement, events, initiatives in the digital environment (creation and management of web sites, implementation and management of social profiles);
- Creative design, production and secretarial organisation of meetings, including coordination of equipment, technical services and catering, organisation of spaces for conferences, meetings, social, political and cultural conventions, trade exhibitions, with regard to both decoration and technical equipment;
- Coordination and development of marketing and integrated communication campaigns and projects (advertising, direct marketing, Customer Relations Management), design and production of publishing and advertising graphics tools, research activities and collection of sponsorships and advertisement for

offline and online publications and for events and happenings;

- Participation in assessment and company reorganisation projects, staff training, and knowledge development;
- Development of innovative products (apps, tools and sharing initiatives) in the field of communication and relationships.

The company may carry out all other commercial, industrial, investment, property and financial transactions deemed necessary for the achievement of the corporate purposes indicated above, including the issue of sureties and guarantees, including collateral guarantees, in favour of anyone, also for third parties' obligations.

The company may also carry out, in compliance with the provisions of law, the following activities:

- (a) pursuant to and in accordance with the applicable laws and regulations, direct or indirect acquisition and management of holdings and interests, including controlling ones, in other, Italian and foreign, public and private, companies and/or organisations and/or undertakings and thus the acquisition, holding and management of the rights, whether or not represented by securities, in the capital of such companies and/or organisations, as well as acquisition of equity securities or debt securities;
- (b) granting of loans in any form to its subsidiaries in accordance with the provisions in force at the time, as well as technical and financial coordination, although not professionally, even profit-free, of the companies or organisations in which it has an interest, for investment purposes, all to the extent permitted by law and excluding any and every financial activity *vis-à-vis* the public.

#### **Article 4**

##### **Duration**

The duration of the company is set at 31 December 2050. The extension of the deadline does not give right of withdrawal to the shareholders who did not take part in the approval of the relevant resolution.

#### **Article 5**

##### **Domicile**

The domicile of the shareholders for their relationship with the company is the one resulting from the company's registers, unless otherwise notified in writing to the administrative body.

#### **Article 6**

##### **Capital and shares**

The share capital is Euro 1,222,197.50 (one million

twohundredtwentytwothousand onehundredninentyseven point fifty), fully paid-up and divided into 12,221,975.00 (twenty million twohundredtwentyonethousand ninehundredseventyfive) shares with no par value.

Shares may be dematerialised and entered into the centralised management system for financial instruments referred to in Articles 80 and the following of Legislative Decree no. 58/1998 ("**TUF**").

The shareholders' meeting, or by its delegation, the Board of Directors may issue participatory financial instruments, with equity rights or even administrative rights, in accordance with the applicable provisions. The characteristics of the financial instruments issued are established by the resolution approving the issue, specifying in particular the rights conferred by them, the sanctions in case of non-fulfilment of the promised performance, conditions regulating their transfer and possible non-transferability, as well as any possible cause of lapse or redemption. In the event of a capital increase, new shares may also be paid up through contributions in kind and may also be assigned to an extent not proportional to contributions, with the consent of the shareholders concerned.

The allocation of profits and/or reserves consisting of profits to the Company's employees and the employees of the subsidiaries, by means of the issue of shares pursuant to Article 2349 of the Italian Civil Code is allowed in the forms and manners provided by law.

On 9 June 2016, the extraordinary shareholders' meeting has resolved:

- to increase the corporate share capital against payment, on a divisible basis, for a maximum nominal amount of Euro 13,400.00 (thirteenthousandsandfourhundred/00) plus surcharge, by means of the issue of the maximum no. 134.000 ordinary shares, to be issued to support the exercise of warrants, which issuance has been contextually resolved on the same date, subject to the conversion *ratio* of one share *per* each warrant and which final subscription term is set on the expiration of the sixtieth month, to be counted starting from listing on AIM and, by any means, by 31 December 2021;
- to grant to the Board of Directors the faculty to increase the share capital gratuitously and on a divisible basis, to support the implementation of the "Stock Grant Plan", for a maximum nominal amount of Euro 67,500.00 (sixtyseventhousandfivehundred/00), by means of the issue of the maximum no. 675,000 new ordinary shares, to be executed by means of a transfer of the available incomes or the available reserves to capital stock, pursuant to Article 2349, first paragraph of the Italian Civil Code, for a corresponding amount, by 31 March 2018.

## **Article 7**

### **Classes of shares and financial instruments**

The Company may issue other classes of shares and financial instruments, including bonds and convertible bonds, "cum warrants" and "warrants", if they comply with the requirements set forth by the legislation in force.

The Company may also issue participating financial instruments, to which pecuniary and/or administrative rights are attached, in compliance with the applicable provisions. The attribution of competence to issue such instruments is vested with the Board of Directors, without prejudice to the mandatory competence of the extraordinary shareholders' meeting for the issue of financial instruments in favour of the employees of the Company or of subsidiary companies, pursuant to Article 2349 of the Italian Civil Code.

The resolution approving the issue shall establish, *inter alia*, the characteristics of the financial instruments, specifying in particular the rights conferred by them, the sanctions in case of non-fulfilment of the promised performance and, if allowed, the conditions regulating their transfer.

Shares may also be issued through the conversion of other classes of shares.

## **Article 8**

### **Shareholders' financing**

Shareholders can fund the company with interest-bearing or non-interest-bearing deposits, capital payments or other means, also including with repayment obligation, in accordance with the applicable legislative and regulatory provisions.

## **Article 9**

### **Transfer and trading of shares**

Shares are registered, freely transferable and indivisible. Each share entitles to one vote.

Shares may be subject to admission to trading on multilateral trading systems, including AIM UK – Alternative Investment Market, multilateral trading facility organized and managed by the London Stock Exchange Group plc.

If a shareholder owns or becomes the owner of, even through third parties, a number of shares equal to or greater than 3% (three per cent) of the shares issued by the company it must report to the company, in writing, the achievement of the above mentioned holding and any significant change resulting in exceeding or in the reduction below said

threshold of 3% (three per cent), or any percentage above 3% (three per cent), providing the following information: (i) shareholder's name and address; (ii) date on which the ownership percentage indicated was exceeded or the significant change occurred; (iii) price, number and type of shares concerned; (iv) nature of the transaction; and (v) shareholder's relevance in the transaction.

The communication must be made to the company without delay, and in any case within [two] business days following the date on which the ownership percentage indicated was exceeded and the significant change occurred.

## **Article 10**

### **Identification of shareholders**

The company may ask, at any time and at its own expense, the intermediaries, with the procedures provided for by the legislative and regulatory provisions in force from time to time, the personal details of shareholders who have not expressly prohibited their communication, together with the number of shares registered in the accounts in their names.

The company is obliged to present the same request upon request of one or more shareholders representing, alone or together with other shareholders, at least 5% (five per cent) of the share capital with voting rights at the ordinary shareholders' meeting, to be proved by filing the appropriate certifications. Unless otherwise provided for by other mandatory legislative or regulatory provisions from time to time in force, the costs relating to the request for identification of shareholders at the request of the shareholders shall be equally shared (with the sole exception of costs for the updating of the shareholders' ledger, which are borne by the Company) by the Company and the requesting shareholders.

The request to identify shareholders, either at the request of the company or at the request of the shareholders, may also be partial, meaning that it is limited to the identification of shareholders who have not expressly prohibited communication of their data and hold an interest equal to or above a certain threshold.

The company must disclose to the market, in the ways provided for by the legislative and regulatory provisions from time to time in force, the submission of the identification request, either at the request of the company or at the request of the shareholders, disclosing, where applicable and respectively, the relevant reasons as well as the identity and overall participations of the requesting shareholders. The data received are made available to all shareholders without cost to them.

## **Article 11**

### **Right of withdrawal**

Withdrawal is not allowed if an extension of the company's duration term, or the introduction or removal of restrictions on the transfer of shares have been decided.

## **Article 12**

### **Takeover and relevant thresholds**

From the time and until the Company's shares are admitted to trading on AIM UK, the provisions (hereinafter the "**provisions in question**") on listed companies referred to in the City Code on Takeovers and Mergers (hereinafter the "**City Code**") shall become applicable by voluntary reference.

The period for accepting a cash and exchange tender offer shall be agreed with the Takeover Panel. The Takeover Panel shall also establish the appropriate or necessary rules for the proper implementation of the offer.

Exceeding the shareholding threshold provided for in Rule 9 of the City Code and in the absence of the communication to the board of directors, a full tender offer within the time limits laid down by the provisions in question shall entail the suspension of the voting rights attaching to the excess shares, which may be verified at any time by the board of directors.

The provisions in question shall be those in force at the time the obligations for the shareholder are triggered. Any dispute concerning the interpretation and application of this clause must first be submitted, as a condition for proceeding therewith, to the Takeover Panel.

## **SHAREHOLDERS' MEETING**

## **Article 13**

### **Shareholders' prior approval**

As long as the Company's shares are admitted to trading on a multilateral trading facility, the prior ordinary shareholders' meeting approval is required, pursuant to Article 2364, first paragraph, no. 5) of the Italian Civil Code in the following cases:

- a. Acquisition of shareholdings or companies or other assets that constitute a reverse takeover under Rule 14 of the AIM Rules for Companies as issued from time to time by the London Stock Exchange plc Companies ("**AIM Rules**");
- b. Sale of shareholdings or companies or other assets that constitute a fundamental change of business under Rule 15 of the AIM Rules;

c. Cancellation of admission of the Company's shares on AIM UK pursuant to Rule 41 of the AIM Rules. The delisting must be approved by not less than 75% (seventy five per cent) of the votes of the shareholders attending the meeting, or by the different percentage set forth in the AIM Rules.

## **Article 14**

### **Meeting**

The meeting is convened with a notice published in the *Gazzetta Ufficiale della Repubblica* or in at least one of the following newspapers: "*Italia Oggi*" or "*MF-Milano Finanza*" and on the company's web site, at least 15 (fifteen) days before the date set for the meeting on first call. The company shall as well provide the shareholders with a hard copy of the notice, in compliance with UK Company Act of 2006.

The meeting may also be convened outside the municipality of the registered office, or elsewhere in Italy.

The ordinary shareholders' meeting to approve the financial statements must be called within 120 days of the year-end, or in the cases provided for by Article 2364, paragraph 2 of the Italian Civil Code, within 180 days of the year-end, subject to any additional terms provided for by the legislation in force.

Shareholders representing at least 10% (ten per cent) of the share capital with voting rights at the ordinary meeting may request, within five (5) days of the publication of the notice calling the meeting, the addition of items to the agenda, indicating in such request, the additional items proposed. The supplementary notice of the agenda shall be published in at least one of the daily newspapers specified in this By-laws, no later than the seventh day prior to the date of the meeting on first call. Requests for additions to the agenda must be accompanied by an explanatory report to be filed at the registered office, and delivered to the administrative body before the deadline for submission of the request for integration. The integration of the list of items is not allowed for matters on which the shareholders' meeting is required, by law, to resolve at the proposal of the directors, or on the basis of a project or a report prepared by them.

Shareholders can ask questions on the agenda even before the meeting. Questions received prior to the meeting shall be answered at the latest during the meeting. The company can provide a single answer to questions with the same content.

## **Article 15**

### **Shareholders' meeting**

The meeting is chaired by the chairman of the board of directors. In the event of his absence or impediment, the meeting will be chaired by the

person elected by the majority vote of those present.

The meeting shall appoint a secretary, even not a shareholder, and if necessary, one or more scrutineers, even not shareholders. The secretary's assistance is not required when the minutes are drawn up by a notary.

Both ordinary and extraordinary shareholders' meetings can be held with participants located in different places, near or distant, connected by audio/video, and on the following conditions, which must be acknowledged in the minutes:

- a) The Chairman and the Secretary of the meeting, who shall draw up and sign the minutes, are present in the same place;
- b) The Chairman of the meeting is allowed to ascertain the identity and verification of the participants, to regulate the progress of the meeting and to establish and announce the results of the voting procedure;
- c) The person drawing up the minutes is allowed to properly perceive the meeting events to be recorded;
- d) Those present are allowed to take part in the discussion and to the simultaneous voting on the items on the agenda, as well as to view, receive or transmit documents;
- e) The notice of calling indicates (except in the case of plenary meeting) the places with audio/video connections provided by the company where the participants may attend, but the meeting will be deemed as held in the place where the Chairman and the person taking the minutes are; registration sheets should be provided in the same number as the places with audio/video connections where the meeting is held.

## **Article 16**

### **Right to attend and exercise voting rights**

Shareholders with voting rights are entitled to attend the meeting.

The entitlement to the exercise of voting rights of shares admitted to trading on regulated markets or Italian multilateral trading systems or those of other countries of the European Union is subject to the applicable legislative and regulatory provisions.

## **ADMINISTRATION AND CONTROL**

### **Article 17**

#### **Board of Directors**

The Company's administration is entrusted to a Board of Directors composed of an odd number of members not lower than 3 (three) and not higher than 9 (nine). The number of board members and their term of office are decided by the shareholders' meeting.



Directors shall remain in office for the period fixed by the Shareholders' meeting resolving their appointment, up to a maximum of 3 (three) financial years, and may be reappointed. Their appointment expires on the date of the shareholders' meeting called to approve the financial statements relating to the last financial year of their office, subject to the causes for termination and revocation provided for by law and by this By-laws.

At least [one (1)] of the Board members must meet the independence requirements provided for by the UK Corporate Governance Code.

Within the limits set forth by Article 2381 of the Italian Civil Code, the Board of Directors may delegate powers to one of its members, determining the content, the limits and any procedures to exercise the delegation. Upon proposal of the Chief Executive Director, the Board may delegate managerial assignments or powers for single acts or classes of acts. Within the limits of the authority conferred on him, the Chief Executive Officer shall have the power to delegate single acts or classes of acts to employees of the Company or to third parties, authorizing *sub-delegation*.

The Board of Directors may also appoint one or more committees with consulting and advisory functions, determining their duties and powers.

The Board of Directors appoints the Chairman from among its members when the appointment is not made by the shareholders' meeting; it may also appoint one or more Vice-Chairmen and a Secretary.

The Board has the authority, subject to the concomitant authority of the extraordinary shareholders' meeting, to take decisions concerning mergers and demergers in the cases provided for by Articles 2505 and 2505-*bis* of the Italian Civil Code; the opening or closing of branch offices, the indication of which directors can represent the company; reduction of capital in the event of withdrawal of shareholders; adjustment of the By-laws to make them compliant with the provisions of law; and transfer of headquarters in the national territory.

## **Article 18**

### **Resolutions of the Board of Directors**

The board shall meet, even outside the registered office or elsewhere in Italy, whenever the Chairman deems it necessary, and when so requested by at least one third of the directors in office.

The delegated bodies see to it that the organizational, administrative and accounting structure is adequate for the nature and size of the company and report to the Board of Directors and the Board of Statutory Auditors, at least quarterly, on the general operating performance and its foreseeable development, and on the most significant transactions in terms of size or characteristics carried out by the company and its subsidiaries.

The Board is convened by the Chairman with notice sent by telegram, fax, registered e-mail or mail at least three (3) days before the meeting, or in urgent cases, at least 24 (twenty four) hours before the meeting. Board meetings convened otherwise shall be, anyway, valid if all Directors and Statutory Auditors in office are present.

The resolutions of the board are recorded in the minutes signed by the Chairman and the Secretary.

Board of directors meetings can be held with participants located in different places connected by audio/video, and on the following conditions, which must be acknowledged in the minutes:

- a) The Chairman and the Secretary of the meeting, who shall draw up and sign the minutes, are present in the same place, and the meeting shall be deemed as held in such place;
- b) The Chairman of the meeting is allowed to ascertain the identity of the participants, to regulate the progress of the meeting, to establish and announce the results of the voting procedure;
- c) The person drawing up the minutes is allowed to properly perceive the meeting events to be recorded;
- d) Those present are allowed to take part in the discussion and to the simultaneous voting on the items on the agenda, as well as to view, receive or transmit documents.

## **Article 19**

### **Representation of the company**

The power to represent the company before third parties and in court is granted to the Chairman of the board of directors, without limitation, and if appointed, also to vice Chairmen, within the limits established by the resolution appointing them.

Managing Directors, if appointed, shall represent the company, within the limits of their management powers.

## **Article 20**

### **Directors' fee**

The shareholders' meeting is entitled to determine a total amount for the remuneration of all directors, including those vested with particular offices.

## **Article 21**

### **Board of statutory auditors**

The Board of Statutory Auditors is composed of three standing members and two substitute members, who remain in office for three financial years and whose appointment expires on the date of the meeting called to approve the financial statements relating to the third financial year of their

office, with the powers and obligations provided for by law.

Statutory auditors must possess the requirements of integrity, professionalism and independence required by the applicable legislation.

Board of Statutory Auditors meetings can be held with participants located in different places connected by audio/video, and on the following conditions, which must be acknowledged in the minutes:

- a) The Chairman and the Secretary of the meeting, who shall draw up and sign the minutes, are present in the same place, and the meeting shall be deemed as held in such place;
- b) The Chairman of the meeting is allowed to ascertain the identity of the participants, to regulate the progress of the meeting, to establish and announce the results of the voting procedure;
- c) The person drawing up the minutes is allowed to properly perceive the meeting events to be recorded;
- d) Those present are allowed to take part in the discussion and to the simultaneous voting on the items on the agenda, as well as to view, receive or transmit documents.

## **Article 22**

### **Audit of accounts**

The audit of the company's accounts is carried out by a statutory auditor or by an auditing company, enrolled in the specific register.

## **Article 23**

### **Financial years, statements and profit distribution**

Financial years end on December 31st of each year.

At the end of each financial year, the administrative body prepares a report on the financial statements according to the law.

The net profits resulting from the balance sheet, after deduction of at least 5% (five per cent) for allocation to the legal reserve until it reaches one-fifth of the share capital, may be distributed among shareholders in proportion to the shareholding held by each of them, unless the shareholders' meeting decides otherwise.