



**Italgas S.p.A.**

**ORDINARY SHAREHOLDERS' MEETING OF 28 April 2017**

**SINGLE CALL**

**Report by the Board of Directors on the proposals concerning the items on the agenda of the Shareholders'**

**Meeting**

**Item 6**

**Appointment of an Alternate Auditor. Necessary and consequent resolutions.**

Dear Shareholders,

due to other professional commitments that have arisen, Ms. Marilena Cederna, an Alternate Auditor appointed by the Shareholders' Meeting on 4 August 2016, resigned her office with immediate effect on 20 March 2017.

You are therefore called on to appoint an Alternate Auditor to complete the composition of the current Board of Statutory Auditors pursuant to the provisions of art. 2401, subsection 1, of the Italian Civil Code; the Statutory Auditor thus appointed will remain in office for the entire duration of the term of office of the current Board of Statutory Auditors, and thus until the approval of the financial statements at 31 December 2018.

You are reminded that - pursuant to art. 20.3 of the company bylaws - to make the aforementioned appointment of an alternate auditor the Ordinary Shareholders' Meeting is called on to resolve with the legal majorities (without application of the slate voting system), so as to ensure that the composition of the Board of Statutory Auditors complies with the current and pertinent legal, regulatory and administration provisions, and that it is also able to ensure that the current law on gender balance is respected. It is therefore recommended, albeit in a non-binding way, that the candidates proposed for the office of Alternate Auditor should be female.



You should also recall that, in accordance with the indications set out in the Corporate Governance Code for listed companies, the candidates for the office of Auditor must be chosen from among those persons who may qualify as independent in application of the same criteria as those envisaged for qualifying as an independent Director, currently established by the Board of Directors based on the related provisions of said Code.

The candidates for the office of Auditor must also be in possession of the requisite integrity and professionalism prescribed for the auditors of listed companies in Ministry of Justice Decree no. 162 of 30 March 2000.

Shareholders that intend to submit proposals for appointment to the role of alternative auditor are therefore invited to submit these candidacies, accompanied by:

- a) a comprehensive report on the personal and professional characteristics of the candidates, including declarations by the candidates themselves attesting that they possess the requisite professionalism, integrity and independence prescribed by the law and regulations in force, and that they accept their candidacy. Taking account of the fact that, pursuant to the final clause of art. 2400 of the Italian Civil Code, at the moment of nomination, and before their acceptance of office, the Shareholders' Meeting must be informed of the offices of administration and control the auditors hold in other companies, and, also taking account of the provisions of art. 148-bis of the Consolidated Law on Finance, they are invited to provide specific declarations to this effect with their curricula vitae, and it is recommended that they ensure that said declarations are kept up-to-date until the date of the shareholders' meeting.
- b) suitable documentation attesting that they are a shareholder.

To prove that they hold the aforementioned share of the capital of the company, suitable certification must be sent to the Company, or the communication that verifies their eligibility to participate in the Shareholders' Meeting, issued by an authorised intermediary, specifying that their holding should in any event be confirmed at the "record date" indicated in the call notice for the Shareholders' Meeting. The certification or communication should in any event reach the Company no later than the start of the shareholders' meeting.

In consideration of the above, while no prior period of time for the submission of proposals is specified in the legal provisions or the company bylaws, those entitled to do so who intend to submit a proposal for nomination to the Shareholders' Meeting may also submit this before the date of said Shareholders' Meeting, by filing it,



together with the accompanying documentation specified above (and ensuring in any event that appropriate certification providing their share of the capital of the company on the “record date” indicated in the call notice for the Shareholders’ Meeting, issued by an authorised intermediary), at the registered offices of the company, or through certified electronic mail to the address [italgas.assemblea@pec.italgas.it](mailto:italgas.assemblea@pec.italgas.it). In this case, a prompt information notice regarding the submission of proposals will be provided on the Company website, in the Shareholders’ Meeting section.

The Chairman of the Board of Directors

Mr Lorenzo Bini Smaghi