



COURTESY TRANSLATION FOR THE CONVENIENCE OF INTERNATIONAL READERS

Fourth item on the agenda. Appointment of the Board of Directors after determining the number of members and term of office; determination of fees. Related and consequent resolutions.

Shareholders,

The approval of the financial statements for the year ended December 31, 2019 marks the end of office of your Company's Board of Directors, as it was appointed by the Ordinary Shareholders' Meeting held on November 30, 2016, with effect starting the date of effect of the merger by incorporation of GF Group S.p.A. into Glenalta Food S.p.A. (today the "Company"), carried out on February 13, 2017, save the following: (i) on September 15, 2017, the Ordinary Shareholders' Meeting appointed Directors Alessandro Piccardo and Carlos Fernandez Ruiz, after increasing the number of members of the Board of Directors from 7 to 9 with effect starting September 25, 2017; and (ii) on October 25, 2019, the Ordinary Shareholders' Meeting appointed Director Laura Soifer, following the resignation tendered by the Director Luca Fabio Giacometti, all with effect from the first day of trading of the Company's shares on the telematic stock market (MTA) organized and managed by Borsa Italiana S.p.A. (the "MTA"), on December 23, 2019 (the "**Listing**"). The new Administrative Body therefore needs to be appointed, after determining the number of members and term of office.

In this regard, please recall, in particular, the following:

Members of the Board of Directors

In accordance with Art. 13.1 of the Articles of Association, the Company is administered by a Board of Directors numbering between 3 and 9 Directors, of whom at least a minimum number of members must meet the independence requirements, all in compliance with current legislation and, in particular, in accordance with the provisions of Art. 148 of Italian Legislative Decree no. 58/1998 as subsequently amended and supplemented (the "**Consolidated Law on Finance**") (most recently amended by Italian Law no. 160/2019). The number of members of the Board of Directors, within the limits specified above, is decided by the Shareholders' Meeting, which shall also decide the term (which may not exceed three financial years).

Directors shall stand down on the date of the Shareholders' Meeting convened to approve the financial statements relating to their last year in office, without prejudice to any cause of termination and revocation provided by law and the Articles of Association; they may stand for re-election.

Please remember that as from December 23, 2019, the shares of your Company are traded on the STAR segment of the MTA. In order to stay in that Segment, the members of the Administrative Body must comply with the provisions of the Regulation of Markets organized and managed by Borsa Italiana S.p.A. (the "**Regulation**") and the Instructions for the Regulation (the "**Instructions**") and, precisely, Art. IA.2.10.6 of the Instructions, which envisages that "*the number of independent directors [...] shall be considered adequate when there are: - at least 2 independent directors for boards with up to 8 members; - at least 3 independent directors for boards with between 9 and 14 members; - at least 4 independent directors for boards with more than 14 members*".

The members of the Board of Directors must also respect gender balance rules in accordance with Art. 147-ter, paragraph 1-ter of the Consolidated Law on Finance (envisaged by Italian Law no. 120 of July 12, 2011). Therefore, with reference to the mandate of the new Administrative Body, considering that this is the first mandate after Listing, at least one fifth of Directors must be of the less represented gender.

List voting mechanism for appointing the Board of Directors

In accordance with Art. 14 of the Articles of Association, the members of the Board of Directors shall be appointed on the basis of lists setting out candidates with a sequential number.

Only Shareholders who, individually or jointly with other shareholders, represent a stake at or above that set by Consob pursuant to applicable law or regulations, shall have the right to submit a list. In this regard, please remember that Consob has determined that 4.5% of the share capital is the stake required to submit a list for the election of the Company's Administrative Body (see Managerial Determination by the Head of the Corporate Governance Division no. 28 of January 30, 2020).

Each Shareholder, as well as those Shareholders who are part of the same group – thereby meaning the entity exercising control, subsidiaries, or those under common control of the same parent company, or associates as defined under Art. 2359 of the Italian Civil Code – and those Shareholders participating, whether directly or through a subsidiary, in an agreement executed under Art. 122 of the Consolidated Law on Finance regarding Company shares cannot submit, either directly or through a third party or trust company, more than one list.

We would also remind you that Shareholders submitting a “minority list” are subject to the recommendations given by Consob in Communication no. DEM/9017893 dated February 26, 2009.

Lists must be submitted to the registered office at Via G. Fantoli n. 6/15, Milan, by 12:00 on Monday, April 6, 2020 (coinciding the twenty-fifth day before the Shareholder's Meeting date with a non-working day), with the exception of any list that may be submitted by the Board of Directors, for which the deadline is brought forward to March 31, 2020 (i.e. thirty days before the Shareholders' Meeting). Lists for the appointment of the Board of Directors can also be deposited by electronic communication to the certified e-mail address orsero@legalmail.it. If submitting lists by certified e-mail, a copy of a valid form of ID of the submitters, must also be sent.

Without prejudice to any other provisions of law or regulation in force *pro tempore*, lists must be accompanied by the following information and documents: (i) information relative to the identity of the Shareholders who submitted them, indicating the total share held; (ii) a declaration by Shareholders other than those holding, individually or jointly, a controlling or relative majority share, certifying the absence of any relations with the latter, as envisaged by Art. 144-quinquies of Consob Regulation no. 11971/1999 (the “**Issuers' Regulation**”); (iii) the CV containing personal and professional details about each candidate, also specifying if they are able to be classified as “independent”; (iv) the declarations whereby the individual candidates accept their candidacy and certify, at their own responsibility, that there are no grounds for ineligibility and incompatibility and that the requirements are met, as prescribed by current legislation and the Articles of Association for the respective offices.

Ownership of the shares required to submit lists is certified through the sending to the Company, by the qualified intermediary responsible for keeping the accounts, of the communication envisaged by Art. 43 of the Single Provision on post-trading of Consob and the Bank of Italy of August 13, 2018 (the “*Regulation of central counterparties, central depositories and centralized management*”), even after the list has been submitted, as long as

it arrives at least twenty-one days prior to the date scheduled for the Shareholders' Meeting at single call, i.e. by Thursday, April 9, 2020. Note that ownership of the investment share is defined by taking account of shares that are registered to the Shareholder on the day on which the lists are deposited with the Company.

The lists setting out 3 or more candidates must include candidates of both genders as required by gender balance laws and regulations and as recalled in the paragraph above; where gender balance does not result in a whole number of Directors of the less represented gender, the number must be rounded up.

Any lists presented, which are not in compliance with the aforesaid provisions, are considered void.

Lists will also be subject to the other forms of publication envisaged by legislation and *pro tempore* regulation in force. More specifically, at least twenty-one days prior to the Shareholders' Meeting date (Thursday, April 9, 2020), the lists are made available to the public at the registered office, on the company's website and in all other ways envisaged by Consob Regulation.

Methods of appointing the Board of Directors

Directors shall be elected pursuant to the following rules, without prejudice to the fact that, in accordance with Art. 14 of the Company's Articles of Association, any lists that receive a voting percentage which is less than half what is needed to submit the same, shall not count:

- a. candidates appearing on the list receiving the majority of affirmative votes will become seven-eighths of the Directors to be elected, in the sequential order in which they appear on the list; in case of a fraction, the number will be rounded down; the first person appearing on the list will be the Chairman of the Board of Directors;
- b. the remaining Directors will be taken from the other list(s), provided they are in no way connected, whether directly or indirectly, to the Shareholders who have submitted or voted on the list which came first in number of votes; consequently, the number of votes secured by the lists themselves will be divided thereafter by one, two, three, etcetera, depending on the sequential number of Directors to be elected. The quotients so obtained will be sequentially assigned to the candidates of each of these lists, according to the order contemplated in the same. The quotients so attributed to candidates on the various lists will be filed in a single ranking, in descending order. Those with the highest quotients will be elected. Where more than one candidate earns the same quotient, the candidate on the list which has not yet had any Directors elected, or which has elected the lowest number of Directors, will be elected. Alternatively, should neither of the lists have had a director elected, or should they all have elected the same number of Directors, the candidate on the list receiving the most votes shall be deemed elected. As a further scenario, in case of a tie, and provided the principle of equal quotients stand, a run-off will be held, with the entire Shareholders' Meeting voting. The candidate with a simple majority shall be deemed the winner.

If, following the procedure described above, the minimum number of independent Directors has not been elected, the candidate who does not meet such independence criteria and who was the last (in terms of the list's sequential order) to be elected from the list receiving the most votes, will be replaced by the first non-elected candidate (on the same list) who does meet such requirements.

If, following the procedure described above, the Board of Directors has not been properly formed as required under gender-equality laws, the candidate from the more-represented gender who was last elected (in terms of the list's sequential order) on the list receiving the most votes will be replaced by the first candidate of the under-represented gender not elected from that same list (in terms of the list's sequential order) provided that

such substitution does not lead to an insufficient number of independent Directors, in which case, the candidate elected penultimate will be elected.

Should a single list be presented, all Directors shall be taken from such list provided it has received a majority of the votes; otherwise, only one-eighth of the Directors will be taken from the list (with any fraction rounded up) and the others shall be elected pursuant to the provisions of the paragraph immediately infra.

For any Director to be appointed other than through the election procedure described supra, the Shareholders' Meeting shall appoint such person, which appointment shall require a majority vote as determined by law, so that the composition of the Board of Directors shall comply with applicable law and with these Articles of Association.

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Finally, it is recalled that at its meeting of 11in compliance with the provisions of the Corporate Governance Code for listed companies (see Articles 1.C.1. g) and h) and 2.P.4), on the proposal of the Remuneration and Appointments Committee and taking into account the results of the self-assessment performed by the Board of Directors, the Company's Board of Directors defined the guidelines for the managerial and professional figures whose presence is considered appropriate within the Company's Board of Directors, as well as for the diversity policy in deciding the members of the Board of Directors; consequently, consideration was also given to gender diversity criteria, national and international managerial and professional skills and the presence of different age brackets.

In this respect, the Board provides the following indications:

- taking into account the size and business of the Company, a number of Directors in line with the current appointments of 9 (nine) Directors, is considered adequate;
- at least 3 Directors must meet the independence requirements pursuant to Art. 148, paragraph 3 of the Consolidated Law on Finance and the Corporate Governance Code prepared by the Corporate Governance Committee of listed companies established by Borsa Italiana S.p.A., taking into account the specific requirements for the qualification of the STAR issuer envisaged by the Regulation and related Instructions;
- in compliance with regulations governing gender balance, at least one fifth of Directors must be of the least represented gender;
- as regards policies on diversity (Art. 123-bis, lett. d-bis) of the Consolidated Law on Finance), it is best, also with a view to fostering the understanding of the way the Company and its business is organized and to develop efficient governance of such, and without prejudice to the legal requirements on gender balance, to ensure that: **(a)** the Board is characterized by the personal diversity of its members; and **(b)** the professional and training background of the Directors guarantees a balanced combination of profiles and experience suitable to assuring the correct fulfillment of the duties assigned it, as well as adequate experience and competence in the Company's core business, regarding the international profile and considering the geographic distribution of the Group and its business;
- as regards the balance of the executive and non-executive component, a positive view is taken of the presence of two Chief Executive Officers assigned managerial delegations - in line with the current delegations - and who have accrued specific experience and competence in the Company;
- each candidate is asked to assess the compatibility of the position of Director in the Company with any

other Director or Auditor positions held in other companies listed on regulated markets, in financial companies, banks, insurance firms or large companies.

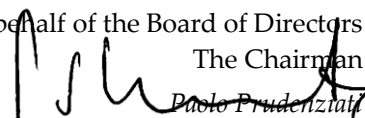
Term of office and determination of the fees of the Board of Directors

We would also remind you that the Ordinary Shareholders' Meeting will be called to determine the term of office of the new Board of Directors, which shall in any case not exceed three financial years, in accordance with Art. 13 of the Articles of Association, and to determine the fees of the members of the Administrative Body. In this regard, please remember that in accordance with Art. 21 of the Articles of Association, the Shareholders' Meeting may determine a total remuneration for all Directors, excluding those assigned operative delegations. The latter's fees will be determined by the Board of Directors after having sought the opinion of the Board of Auditors, all in compliance with the Company's Remuneration Policy, as in force.

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The Articles of Association are available on the Company's website www.orserogroup.it, in the "Governance" section.

Milan, March 26, 2020

On behalf of the Board of Directors
The Chairman

Paolo Prudenziati