



**ORDINARY GENERAL SHAREHOLDERS' MEETING**

28 April 2017 – single call

**REPORT ON ITEMS 3, 4, 5, 6 AND 7 ON THE AGENDA**

**Rai Way S.p.A.**

**Registered office: Via Teulada 66, Rome, Italy**

**Tax code, VAT number and registration number in the Rome Companies' Register:  
05820021003**

**Fully-paid share capital of €70,176,000.00**

**Company subject to management and co-ordination by RAI - Radiotelevisione  
italiana S.p.A.**

*Report on item 3 on the agenda*

**3. Determination of the number of members of the Board of Directors. Consequent resolutions.**

Shareholders,

The Shareholders' Meeting is called to appoint the members of the Board of Directors as the term of the directors currently in office expires with the Shareholders' Meeting approving the financial statements at 31 December 2016.

Article 17.1 of the Bylaws establishes that the Board of Directors shall consist of a number of members that is not less than five and not more than eleven, who may be re-elected, and requires the Shareholders' Meeting to determine the number of directors within these limits.

The Board of Directors in office at the date of this report consists of seven members.

The Shareholders' Meeting is accordingly invited to determine, within the limits established by the Bylaws, the number of members of the Board of Directors on the basis of the proposals drawn up by those entitled.

Rome, 9 March 2017

On behalf of the Board of Directors

The Chairman

Raffaele Agrusti

*Report on item 4 on the agenda*

**4. Determination of the term of office of the directors. Consequent resolutions.**

Shareholders,

Article 17.1 of the Bylaws establishes that the directors shall be appointed for a term not exceeding three financial years, expiring at the date of the Shareholders' Meeting called to approve the financial statements for their final year of office.

In light of the foregoing the Shareholders' Meeting is accordingly invited to determine the term of office of the Board of Directors, within the limit of three years established by the Bylaws, on the basis of the proposals drawn up by those entitled.

Rome, 9 March 2017

On behalf of the Board of Directors

The Chairman

Raffaele Agrusti

## *Report on item 5 on the agenda*

### **5. Appointment of directors. Consequent resolutions.**

Shareholders,

With reference to the appointment of the members of the Board of Directors, it is recalled that pursuant to article 17.3 of the Bylaws, the Board of Directors of Rai Way S.p.A. (the “**Company**”) is appointed by the Shareholders’ Meeting on the basis of lists submitted by entitled persons. The lists submitted by entitled persons must be filed, under penalty of forfeiture, at the Company’s registered office by the twenty fifth day preceding the date of the Shareholders’ Meeting on single call, established as 28 April 2017, meaning therefore 3 April 2017, by the means established in the notice calling the Shareholders’ Meeting, by virtue of article 17.9 of the Bylaws. The lists must additionally be made available to the public at the Company’s registered office or on the Company’s website or by any other means provided by the legislation in force at least twenty days before the date of the Shareholders’ Meeting on single call, meaning by 7 April 2017.

Persons entitled to vote (as well as (i) entitled parties belonging to the same group, meaning by this the party, which need not be a corporate entity, which exercises control pursuant to article 2359 of the Italian civil code and every company controlled by, or under the common control of, the same party, with controlled companies having the meaning given in article 93 of Legislative Decree no. 58 of 24 February 1998 and following amendments (the “**TUF**”), or else (ii) the parties to the same shareholders’ agreement pursuant to article 122 of the TUF, or else (iii) entitled parties that are in any other way connected on the basis of significant relationships pursuant to applicable laws and regulations in force) may only submit or submit with others one single list, while no candidate may be included in more than one list under penalty of forfeiture.

Persons entitled to vote may submit lists if on their own or together with others they are the holders of a total number of shares with voting rights representing at least 2.5% of shares having voting rights in ordinary shareholders’ meetings (taking into consideration the matters established by Consob in Resolution no. 19856 of 25 January 2017). Ownership of the minimum shareholding for being able to submit lists is determined with respect to the shares that are registered in the name of the individual shareholder or in the names of several shareholders jointly on the day on which the lists are filed with the Company, and must be certified pursuant to applicable legislation; such certification may also be received by the Company after the filing of the lists provided this occurs within the time period prescribed for the publication of the lists by the Company, by way of a communication issued by an authorised intermediary within the meaning of legislation in force.

It is recalled that in accordance with article 17.1 of the Bylaws the Board of Directors consists of a minimum of five and a maximum of eleven members, who may be re-elected.

The candidates, in a number not to exceed eleven, must be ranked in sequential order on the lists and in accordance with legislation on gender balance a number of positions equal to at least one third of the directors to be appointed must be reserved for the less-represented gender, with rounding upwards (in this respect it should be remembered that consistent with the provisions of article 144-undecies.1 paragraph 2a) of the regulation approved by Consob by way of Resolution no. 11971/1999 and

following amendments, lists that envisage a number of candidates equal to or greater than three must comply with the criterion of gender balance).

Pursuant to article 17.4 of the Bylaws, the members of the Board of Directors must hold the requisites of professionalism and integrity prescribed by laws and regulations in force; in addition, a number of directors not less than that prescribed by laws and regulations in force must hold the independence requisites established by the Corporate Governance Code for Listed Companies (it is also recalled that the Corporate Governance Code, to which the Company subscribes, recommends there to be an adequate number of independent directors on the Board of Directors by virtue of the provisions of the Code).

Pursuant to article 37 of the regulation approved by Consob by way of Resolution no. 16191 of 20 October 2007 and following amendments, as the Company is subject to management and coordination by Rai – Radiotelevisione italiana S.p.A. it must have an internal control committee consisting of independent directors (within the meaning specified by paragraph 1-bis of that article) while, where established, any other committees recommended by corporate governance codes promoted by the companies managing regulated markets or sector associations must also consist of independent directors.

It is additionally recalled that the Control and Risks Committee currently consists of three independent directors and also acts as the related party transaction committee pursuant to Consob Regulation no. 17221 of 12 March 2010 and the relative related party transactions procedure adopted by the Company.

In addition it should be remembered that: (i) at least one director, or at least two directors if the Board of Directors consists of a number of members exceeding seven, must hold the independence requisites established for the statutory auditors of listed companies pursuant to article 148, paragraph 3 of the TUF, applicable for directors by way of article 147-ter, paragraph 4 of the TUF, and (ii) all candidates must additionally hold the integrity requisites prescribed for the statutory auditors of listed companies by article 148, paragraph 4 of the TUF, applicable for directors by way of article 147-quinquies, paragraph 1 of the TUF.

Under penalty of forfeiture the lists must be accompanied by:

- information relating to the persons who submitted the lists, stating their total shareholding;
- details of the personal and professional characteristics of the candidates included on the list;
- a statement in which the individual candidates irrevocably accept the position (on the assumption that they are appointed) and represent, under their own responsibility, that there are no causes for their ineligibility or incompatibility and that they hold the requisites of professionalism and integrity prescribed by laws and regulations in force;
- a statement that they hold the independence requirements prescribed by the Bylaws (and therefore pursuant to the Corporate Governance Code for Listed Companies, and in addition, where applicable, pursuant to the relevant above-mentioned provisions of law).

Lists for which the above terms are not satisfied shall be considered not submitted.

It should be remembered that in accordance with Communication no. DEM/9017893 of 26 February 2009, Consob in particular recommends shareholders other than those holding, also jointly, a

controlling holding or a holding representing the relative majority, to file a statement together with the list that:

- represents that they are not connected in any way, even indirectly, pursuant to article 147-ter, paragraph 3 of the TUF and article 144-quinquies of the regulation approved by Consob by way of Resolution no. 11971/1999 and following amendments, with the shareholders who hold, also jointly, a controlling holding or a holding representing the relative majority (where identifiable on the basis of notifications pursuant to article 120 of Legislative Decree no. 58/1998 or publications pursuant to article 122 of the same law);
- specifies any existing relationships, if significant, with these latter shareholders, as well as the reasons why such relationships are not considered decisive for the existence of said connections, or states that such relationships do not exist.

By virtue of the recommendations contained in article 1.C.1.h) of the Code of Corporate Governance for Listed Companies, in view of its renewal, the Board of Directors, subject to the opinion of the Remuneration and Appointments Committee and taking account of the results of the self-assessment process on the performance of the Board of Directors and its committees, as well as on their size and composition, has expressed its orientation on the size of the new Board and the managerial and professional figures whose presence on the new Board it believes appropriate.

With respect to the quantitative aspect – while believing that the current number of seven directors is adequate for ensuring a balancing of the skills and experiences required for the complexities of the Company's business – the Board of Directors is however of the opinion that an effective functioning of the management body, from the perspective of more articulated coverage and given the activities of the committees within the Board, can be ensured by possibly increasing the number of directors to nine.

From a qualitative aspect, as an indication of its orientation the Board of Directors would like to point out the opportunity of having the presence of managerial profiles on the Board as a whole, who also have strategy-directed abilities, including from the standpoint of innovation and business judgement, in addition to the skills and specialisations recommended in general by the Corporate Governance Code, to enable them to participate effectively in the proceedings of both the Board of Directors and the various committees set up within the Board. More specifically:

- the managerial profiles should:
  - have experience in positions of responsibility in companies of a size and/or complexity at least comparable to those of Rai Way;
  - have experience in the broadcasting business and in telecommunications in general;
- the professional profiles should:
  - have experience in positions of responsibility in important professional firms, consulting firms or other public or private organisations;
  - have performed their professional activity with a particular bearing on business activities;
  - have skills in an economic and financial environment and/or in legal matters, also based on corporate governance and business controls, and/or within the ambit of digital innovation and technology and/or in the sustainability field.

As regards the presence on the Board of Directors of academic profiles, any persons of this nature should, *inter alia*, have skills relating to the Company's business or useful to it.

The above is stated without altering the need for anyone taking on the positions of Chairman of the Board of Directors and Managing Director to have the appropriate skills, experience and authoritativeness required of those specific roles.

In addition to the preceding it is recalled that in accordance with the recommendations of the Corporate Governance Code the Company's Board of Directors has expressed its opinion on the maximum number of positions as director or statutory auditor in other companies listed on Italian and international regulated markets, in financial, banking or insurance companies or companies of significant size that may be considered compatible with being able to perform effectively as a director of the Company. This opinion may be consulted in the 2015 report on corporate governance and ownership structures, available in particular on the Company's website [www.raiway.it](http://www.raiway.it) under the section Governance/Shareholders' Meeting/Meetings/Ordinary Meeting of 28 April 2016, and is still effective as stated in the 2016 report on corporate governance and ownership structures (which will be published, within the prescribed time period and by the prescribed means, on the Company's website [www.raiway.it](http://www.raiway.it) under the section Governance/Shareholders' Meeting/Meetings/Ordinary Meeting of 28 April 2017).

Persons entitled to vote may only vote for one list.

Directors are then elected in the following manner in accordance with article 17.12 of the Bylaws:

- (i) a number of directors equal to the number to be elected less one is drawn from the list that obtained the majority of votes cast in the sequential order in which they are listed (the "**Majority List**"). The remaining director is drawn, again following sequential order, from the list which obtained the second highest number of votes validly cast and is not in any way connected, even indirectly, with the persons entitled to vote who submitted or voted in favour of the Majority List (the "**Minority List**");
- (ii) if the Majority List does not contain a number of candidates sufficient to ensure that the number of directors to be elected by the method stated in paragraph (i) above is reached, all the candidates on the Majority List will be elected and the remaining directors will be drawn from the Minority List in the sequential order in which they are listed, as well as, if necessary, from the minority lists that obtained the highest number of votes, again in the sequential order in which the candidates are listed, until the number of directors to be elected has been reached;
- (iii) if the first two lists have obtained the same number of validly cast votes in the Shareholders' Meeting an even number of candidates will be drawn from each of these in the sequential order in which they are listed, with any remaining directors then drawn from the list resulting third by number of votes obtained that shall not in any way be connected, even indirectly, with the persons entitled to vote who submitted or voted in favour of the lists coming first by number of votes obtained, again in the sequential order in which the candidates are listed; if only two lists are submitted or obtain votes and if these receive the same number of validly cast votes, candidate(s) drawn from both lists in equal numbers will be elected director(s), while in case of an odd number of directors the additional director will be the oldest candidate of those not already drawn from such lists;
- (iv) if the number of candidates included on the submitted lists, majority and minority, is less than the number of directors to be elected, the remaining directors will be elected by way of a resolution adopted by the Shareholders' Meeting by a relative majority, ensuring that the principles of independence and gender balance prescribed by laws and regulations in force are complied with. If two or more candidates receive the same number of votes the meeting will hold a second ballot;

- (v) if only one list has been submitted or if no lists have been submitted at all, the Shareholders' Meeting will reach its decision by the means described in paragraph (iv) above;
- (vi) if the minimum necessary number of independent directors and/or directors belonging to the less-represented gender is not elected, the directors on the list receiving the highest number of votes having the highest sequential number and lacking the requisites in question will be replaced by following candidates having the required requisite or requisites;
- (vii) if suitable candidates cannot be identified by applying the replacement criteria discussed in preceding paragraph (vi), the Shareholders' Meeting will resolve on a relative majority. In this case replacements will be drawn starting from the lists with the highest number of votes and the candidates with the highest sequential number.

Save authorisation by an Ordinary Shareholders' Meeting (not established for the outgoing directors) directors are bound to comply with the non-competition obligations pursuant to article 2390 of the Italian civil code.

In light of the foregoing, we invite you to appoint the Company's Board of Directors.

Rome, 9 March 2017

On behalf of the Board of Directors

The Chairman

Raffaele Agrusti



*Report on item 6 on the agenda*

**6. Appointment of the Chairman of Board of Directors. Consequent resolutions.**

Shareholders,

Pursuant to article 18.1 of the Bylaws if the Shareholders' Meeting has not already done so the Board of Directors must elect a Chairman from among its members.

The Board therefore accordingly invites the Shareholders' Meeting to appoint the Chairman of Board of Directors from among the directors appointed pursuant to item 5 on the agenda, on the basis of the proposals put forward by those entitled which may also be drawn up during the course of the meeting.

Rome, 9 March 2017

On behalf of the Board of Directors

The Chairman

Raffaele Agrusti

*Report on item 7 on the agenda*

**7. Determination of the directors' fees. Consequent resolutions.**

Shareholders,

Pursuant to article 26.1 of the Bylaws directors are entitled to the reimbursement of any expenses they may incur for performing their duties. The Board is also due an annual fee, in a fixed and/or variable amount, that is resolved by the Ordinary Shareholders' Meeting. Once adopted, such resolution also holds for subsequent years until otherwise resolved by shareholders. Pursuant to article 26.2 of the Bylaws, in addition to allocating the compensation resolved by the Shareholders' Meeting, the Board of Directors may by resolution, after consulting with the Board of Statutory Auditors, also establish the remuneration of the Chairman of the Board of Directors, the Deputy Chairman, the Managing Director and, in general, the directors vested with specific duties, in accordance with article 2389, paragraph 3 of the Italian civil code.

It is recalled that the current Board of Directors receives maximum total gross emoluments of €404,000.00, with each director receiving a gross fee of €50,000.00; in addition to this each chairman of a consultative committee receives a gross annual fee of €15,000.00 and each independent director who is a member of a consultative committee but not the chairman receives a gross annual fee of €12,000.00.

In light of the foregoing the Shareholders' Meeting is invited to determine the emoluments of the Board of Directors on the basis of the proposals drawn up by those duly entitled, also taking into account the fees due to the members of board committees.

Rome, 9 March 2017

On behalf of the Board of Directors

The Chairman

Raffaele Agrusti