



2017

Corporate Governance and Ownership Report

pursuant to art. 123 bis of Legislative Decree No. 58 of 24 February 1998
(traditional administration and control model)

Issuer: Autogrill S.p.A.

Website: www.autogrill.com

Year referred to in Report: 2017

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CORPORATE GOVERNANCE AND OWNERSHIP REPORT

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GLOSSARY

Auditor(s): individually or collectively, as applicable, the members of the Board of Statutory Auditors.

Autogrill: Autogrill S.p.A.

Autogrill Code: the self-regulatory code adopted by the Board of Directors based on a proposal of the Control, Risk and Corporate Governance Committee, as most recently amended on 20 December 2016.

Autogrill Europe: Autogrill Europe S.p.A.

Autogrill Group or **Group:** collectively Autogrill and its subsidiaries.

Autogrill Italia: Autogrill Italia S.p.A.

Autogrill Servizi: Autogrill Advanced Business Service S.p.A.

Board of Directors: Autogrill's Board of Directors.

Board of Statutory Auditors: Autogrill's Board of Statutory Auditors.

Borsa Italiana: "Borsa Italiana S.p.A.", the Italian Stock Exchange.

Bylaws: Autogrill's by-laws as approved on 24 April 2007 and subsequently amended and updated, most recently with the resolution of the Board of Directors of 12 May 2016.

Chairperson: the chairperson of Autogrill's Board of Directors.

Chief Executive Officer and/or Group's CEO: the Managing Director/Chief Executive Officer of Autogrill.

Chief Internal Audit Executive: the person in charge with Autogrill's internal audit function, appointed pursuant to the application criterion 7.C.5. of the Self-Regulatory Code.

Civ. Code or **C.C.:** Italian Civil Code.

Code of Ethics: the Code of Ethics adopted by Autogrill and Group companies since 2002, as replaced by the new version approved by the Board of Directors in the meeting held on 14 April 2016 and later approved by the boards of directors of its subsidiaries.

Committees: collectively, the committees created within the Board of Directors.

Company or **Group parent company** or **Issuer:** Autogrill.

CONSOB: *Commissione Nazionale per le Società e la Borsa* [equivalent to the SEC].

Control, Risk and Corporate Governance Committee: Autogrill's control, risk and corporate governance committee created within the Board of Directors pursuant to Principle 7.P.4. of the Self-Regulatory Code.

Control and Risk Management System: Autogrill's internal control and risk management system.

Control and Risk Management System Director: director designated as responsible for the Risk and Control System, appointed by Autogrill pursuant to Principle 7.P.3.a)(i) of the Self-Regulatory Code.

Demerger: the partial proportional demerger of Autogrill implemented, pursuant to the demerger project approved by the Shareholders' Meeting and by World Duty Free S.p.A.'s Extraordinary Meeting on 6 June 2013 through the assignment to WDF of the portion of Autogrill's equity regarding the activities indirectly conducted by Autogrill in the *Travel Retail & Duty Free* sector, effective from 1 October 2013.

Director(s): individually or collectively, depending on the case, the members of Autogrill's Board of Directors.

Draft Financial Statements: the draft financial statements of the Company for the year ended 31 December 2017.

European Business: the corporate line of business transferred by Autogrill to Autogrill Europe in the framework of the Reorganization Operation, as better described in paragraph 18 of this Report.

Financial Reporting Manager: the person charged with preparing the Company's accounting documents, appointed by the Board of Directors as required by art. 154-*bis* of TUF and by art. 18 of the Bylaws.

Human Resources Committee: committee for human resources set up within the Board of Directors pursuant to Principle 6.P.3. of the Self-Regulatory Code.

Independent Auditors: external company, whose task is to audit Autogrill's accounts.

Investor Protection Law: Law no. 262 of 28 December 2005 (“Provisions for the protection of investors and the control of financial markets”).

Internal Dealing Procedure: the internal dealing procedure adopted by the Board of Directors in its meeting held on 30 June 2016, in conformity with art. 19 of MAR and art. 114 of TUF and in compliance with articles 152-*sexies* through 152-*octies* of the Issuers’ Regulations.

Issuers’ Regulations: rules for issuers promulgated by CONSOB under resolution 11971 of 14 May 1999 (as subsequently amended).

Italian Business: the corporate line of business transferred by Autogrill to Autogrill Italia in the framework of the Reorganization Operation, as better described in paragraph 18 of this Report.

Law No. 120/2011: Law No. 120 of 12 July 2011 (“Amendments to the Unified Text on finance-related intermediation under Legislative Decree 24 February 1998, No. 58, concerning equal access to the administrative and oversight bodies of quoted companies”).

Law No. 262 Model: the administrative & accounting compliance model envisaged by the Investor Protection Law.

Legislative Decree (L.D.) 231/2001: Legislative Decree No. 231 of 8 June 2001, as subsequently amended (“Regulation of the administrative responsibility of legal persons, companies and associations even not having a legal status, pursuant to art. 11 of Law No. 300 of 29 September 2000”).

List A: the list of 13 candidates presented by the shareholder Schematrentaquattro, for the appointment of the new members of the Board of Directors, as decided by the Shareholders’ Meeting on 25 May 2017.

List B: the list of 3 candidates presented by 16 shareholders–investment fund administrators for the appointment of the new members of the Board of Directors, as decided by the Shareholders’ Meeting on 25 May 2017.

MAR or Market Abuse Regulation: the (EU) Regulation No. 596/2014 of the European Parliament and the Council of 16 April 2014 on market abuse.

Meeting Regulations: the rules to be followed by Autogrill for its meetings, approved by the Meeting and most recently amended through the resolution of 21 April 2011.

Meeting or Shareholders' Meeting: the meeting of Autogrill shareholders.

Model or Model No. 231: the organisation, management and control model required by Legislative Decree No. 231/2001, adopted by the Board of Directors on 6 November 2002, as subsequently amended and supplemented, most recently on 28 July 2017.

MTA: the online stock market organized and managed by Borsa Italiana.

Privileged Information Procedure: the procedure for the disclosure of privileged information to the market effective from 3 July 2016, adopted by the Board of Directors in its meeting held on 30 June 2016, in conformity with Chapter 2 and Chapter 3 of MAR, and Part IV, Title III, Chapter I of TUF, as well as in compliance with Part III, Title II, Chapter I and Chapter II, Section I of the Issuers' Regulations.

Related-Party Transaction Committee or RPT Committee: committee for transactions between related parties set up within the Board of Directors pursuant to the Related-Party Transaction Regulations.

Related-Party Transaction Regulations: the regulations on related party transactions issued by CONSOB under resolution 17221 of 12 March 2010 (as subsequently amended).

Remuneration Report: report on remuneration prepared pursuant to art. 123-*ter* of TUF and art. 84-*quater* of the Issuers' Regulations and in compliance with Schedule No. 7-*bis* of Annex 3A to the same Issuers' Regulations.

Reorganization Effective Date: 1 January 2018, the date when the reorganization operation became effective.

Reorganization Operation or Reorganization: the corporate reorganization operation carried out by Autogrill through the contribution in kind of the Europe, Italy and Services Businesses to Autogrill Europe, Autogrill Italia and Autogrill Servizi, respectively, with effect from the Reorganization Effective Date, as better described in paragraph 18 below.

Report: this report on corporate governance and ownership structures, drafted pursuant to art. 123-*bis* of TUF.

RPT Procedure: the Related-Party Transaction Procedure approved by the Board of Directors pursuant to the Related-Party Regulations, as amended and updated from time to time.

Schematrentaquattro: Schematrentaquattro S.p.A., a company whose capital is entirely held by Edizione S.r.l. and which directly controls Autogrill pursuant to art. 2359, paragraph 1, No. 1 of the Italian Civil Code, since it holds a 50.1% stake in its share capital.

Self-regulatory Code or **Code:** the self-regulatory code for listed companies approved by the Corporate Governance Committee and promoted by Borsa Italiana S.p.A., ABI, Ania, Assogestioni, Assonime and Confindustria. This Code is available for the public in the website of Borsa Italiana (www.borsaitaliana.it), as most recently amended in July 2015.

Services Business: the corporate line of business transferred by Autogrill to Autogrill Advanced Business Service S.p.A. in the framework of the Reorganization Operation, as better described in paragraph 18 of this Report.

Shareholders: Autogrill's Shareholders.

Stock Option Plan: the stock option plan approved and subsequently amended by the Shareholders' Meeting through decisions taken on 20 April 2010 and 6 June 2013, respectively.

Strategy and Investment Committee: committee for strategies and investments set up within the Board of Directors.

Subsidiaries: entities under the direct or indirect control of Autogrill pursuant to art. 2359 C.C. and art. 93 of TUF.

Supervisory Body: body in charge of control over the operation of and compliance with the Model, set up by Autogrill's Board of Directors pursuant to Legislative Decree No. 231/2001.

Transferees: Autogrill Europe, Autogrill Italia and Autogrill Servizi, collectively considered.

TUF (Testo Unico della Finanza): Legislative Decree No. 58 of 24 February 1998 ("Consolidated Finance Act"), as subsequently amended.

Year or **Business Year:** the financial year 2017 referred to in this Report.

1. PROFILE OF ISSUER

Introduction

Autogrill S.p.A. ("**Autogrill**" or the "**Company**") is the parent of a complex international group operating across 4 continents and with more than 58,000 collaborators (the "**Group**" or "**Autogrill Group**"). Autogrill Group is the first global leader in the travel catering licence services, with sales channels mainly consisting of airports, motorways and railway stations.

Its corporate mission is to offer quality restaurant services to people on the move and develop a diversified product offer locally, combining local identities and national or international brands, showing due respect for cultural diversity and the natural environment.

It should be noted that, with effect from 1 January 2018 (the "**Reorganization Effective Date**"), Autogrill carried out a reorganization operation aimed at separating the Group's centralized management and guidance activities from the Food & Beverage operational activities in Italy and from the coordination and service functions performed by the Company for its European subsidiaries (the "**Reorganization Operation**" or the "**Reorganization**"). Through this Reorganization Operation, Autogrill mainly aimed at pursuing the following objectives:

- ✓ redefine the Group's corporate structure in line with its highly international and multi-channel nature and with the current organizational structure;
- ✓ ensure a governance that is increasingly responsive to the needs of an efficient and effective management of individual businesses;
- ✓ communicate the Group's positioning more clearly to investors, fostering an even better understanding of individual business areas; and
- ✓ allow greater flexibility to the Group in order to focus management on the specific objectives of individual areas and the identification of possible structural efficiencies and to better develop any alliances/joint ventures in the different business areas.

The Reorganization Operation was carried out through the contribution in kind of three corporate lines of business owned by

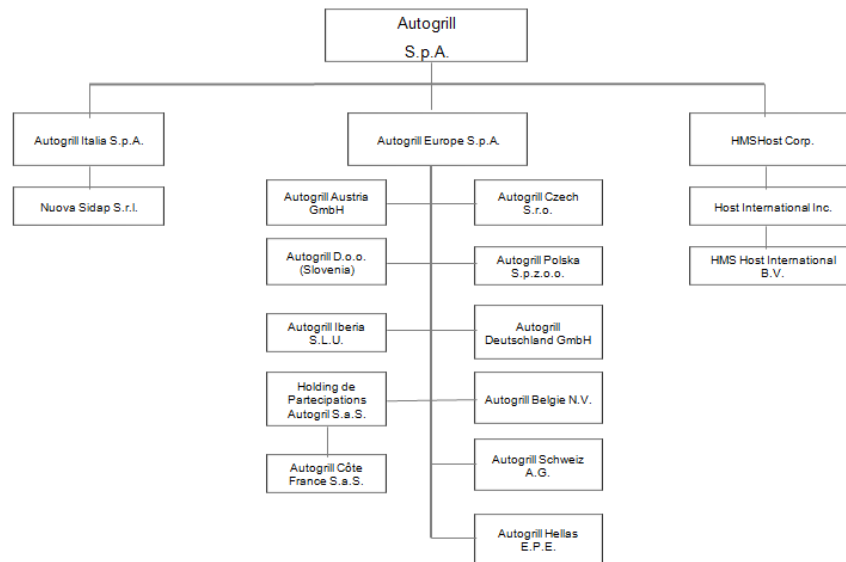
Autogrill to three different limited liability companies, whose share capital is entirely held by the Company, to pay for capital increases approved by the limited liability companies, with the simultaneous transformation of these companies into joint-stock companies. In particular, with effect from the Reorganization Effective date, as further detailed in paragraph 1.8 of this Report:

- ✓ Autogrill Italia S.r.l. acquired the ownership of Autogrill's line of business relating to motorway and airport concessions, activities in railway stations and urban centres in Italy, the supply of food and beverages, the retail sale of food and non-food products and the distribution of fuels and lubricants (the "**Italian Business**") and transformed into a joint-stock company with a share capital of 68,688,000 Euros, taking at the same time the company name of "Autogrill Italia S.p.A."
- ✓ GTA S.r.l. acquired the ownership of the line of business including: a) the structures responsible for coordinating the activities operating in Southern Europe and Continental Europe (including Italy); and b) the 100% equity interests in the companies Autogrill Austria GmbH (Austria), Autogrill België NV (Belgium), Autogrill Czech s.r.o. (Czech Republic), Holding de Participations Autogrill S.a.s. (France), Autogrill Deutschland GmbH (Germany), Autogrill Hellas Single Member Limited Liability Company (Greece), Autogrill Polska Sp. z o.o. (Poland), Autogrill gostinstvo in trgovinad.o.o. (Slovenia), Autogrill Iberia S.L.U. (Spain) and Autogrill Schweiz A.G. (Switzerland) (the "**European Business**") and transformed into a joint-stock company with a share capital of 50,000,000 Euros, taking at the same time the company name of "Autogrill Europe S.p.A."
- ✓ Autogrill Advanced Business Service S.r.l. acquired the ownership of the line of business relating to support and service activities for Autogrill Group's companies (the "**Services Business**") and transformed into a joint-stock company with a share capital of 1,000,000 Euros, taking at the same time the company name of "Autogrill Advanced Business Service S.p.A."

As a consequence of the Reorganization Operation and from the Reorganization Effective Date, therefore, Autogrill is currently an industrial holding that directly controls the Transferees and, indirectly through Autogrill Europe, controls the companies belonging to the European Business.

Autogrill has obviously also maintained direct and indirect control of the remaining activities in the rest of the world (especially in the United States), which account for more than 60% of Autogrill Group's turnover.

Here below is the simplified representation of the Group's corporate structure.



Therefore, the following functions of the Group still fall within the competence of Autogrill from the Reorganization Effective Date:

- (a) strategic guidance and coordination;
- (b) administration, finance, control and enterprise risk management;
- (c) relations with the investors;
- (d) legal, corporate and regulatory functions;
- (e) communication;
- (f) public affairs;
- (g) strategic marketing;
- (h) group engineering & procurement;
- (i) human resources and organization;
- (j) corporate social responsibility;
- (k) internal audit.

Business Purpose

Pursuant to art. 2 of Autogrill's Bylaws (the "**Bylaws**"), as recently updated by the resolution of the Board of Directors on 12 May 2016, the business purpose of the Company is:

a) to manage, including indirectly through associated entities, both in Italy and abroad, bakeries, bars, restaurants, fast foods, hotels, motels, fuel distribution and connected services, markets, including shops and points of sale, also in airport duty-free and duty-paid shops, as well as commercial business activities of all kinds and for all the product categories permitted by the legislation, including, but not limited to, the offer to the public and the retail sale of food and beverages, confectionery, perfumes, publications, and other consumer goods and monopoly goods, both taxed and non-taxed;

b) to technically, commercially and administratively support and coordinate, with or without leasing of goods and equipment, its associated companies or entities.

For the purpose of achieving its business purpose, the Company may, not prevalently and only occasionally and for a specific purpose, and not for the public, perform all the industrial, commercial, financial, security and property transactions, give endorsements, caution money and any other guarantee in general with the purpose of guaranteeing its own or any third party securities, as well as undertake, only for stable investment purposes, both directly and indirectly, shares in other companies, entities or consortia, sign and execute partnership agreements as either the associating or the associated party, sub-licence the management of its business or a part thereof to third parties, undertake the management of third party companies or parts thereof.

Governance Model

The corporate organization and layout of Autogrill is of a traditional type, therefore its governance model is characterized by the following boards:

- ✓ Shareholders' Meeting;
- ✓ Board of Directors, who elect a Chairperson and a CEO;
- ✓ Board of Statutory Auditors.

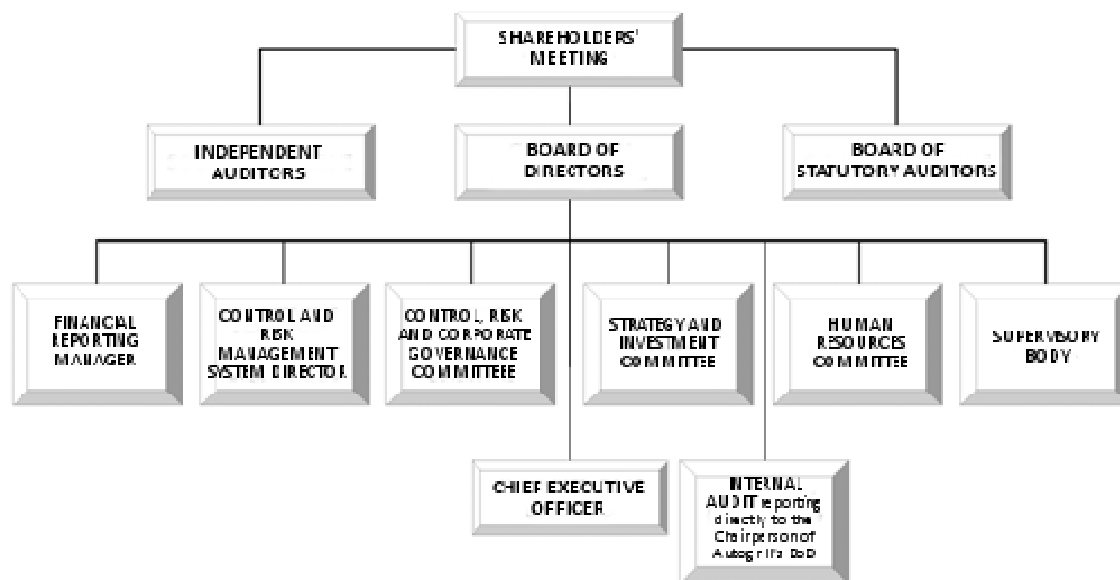
Alongside the above-listed Autogrill's governance bodies are:

- the **Control, Risk and Corporate Governance Committee** created within the Board of Directors pursuant to Principle 7.P.4. of the Self-Regulatory Code;
- the **Human Resources Committee** (also, briefly, the "**HR Committee**"), set up within the Board of Directors pursuant to Principle 6.P.3. of the Self-Regulatory Code;
- the **Related-Party Transaction Committee** (also, briefly, the "**RPT Committee**"), set up within the Board of Directors pursuant to the legislation regarding transactions with related parties issued by CONSOB with Resolution no. 17221 of 12 March 2010, as subsequently amended (the "**Related Party Transaction Regulations**");
- the Director in charge with the internal control and risk management system (the "**Control and Risk Management System**"), appointed pursuant to Principle 7.P.3.a)(i) of the Self-Regulatory Code (hereinafter, the "**Control and Risk Management System Director**");
- the person in charge with the internal auditing function of Autogrill (the "**Chief Internal Audit Executive**"), who performs the functions described in the application criterion 7.C.5. of the Self-Regulatory Code;
- the **Supervisory Body**, set up by the Board of Directors pursuant to Leg. Dec. no. 231 of 8 June 2001, as subsequently amended ("**L.D. 231/2001**");
- the **Strategy and Investment Committee** (also, briefly, the "**SI Committee**") set up within the Board of Directors with effect from 21 April 2011; and
- the Financial Reporting Manager appointed pursuant to art. 154-*bis* of TUF and art. 18 of the Bylaws (the "**Financial Reporting Manager**").

Statutory Auditing

The statutory auditing of Autogrill's accounts is carried out by Deloitte & Touche S.p.A.

Autogrill's corporate layout is illustrated in the organizational chart provided below:



Chief Executive Officer

Business Area Leaders and Staff Leaders, i.e. the people heading the Group's central policymaking and control functions (Corporate Functions), report to the CEO of the Holding.

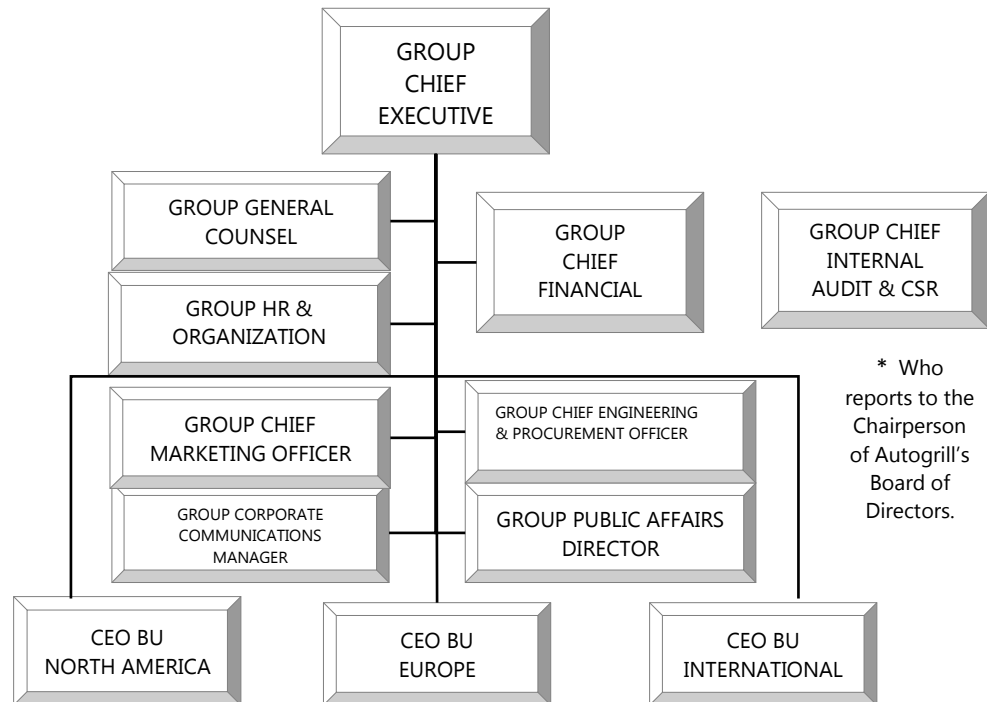
Responsibility for the Group's Business Areas

Responsibility for the Group's business areas can be summarized as follows:

1. *Food & Beverage North America*, operated through the HMSHost division (HMSHost Corporation and subsidiaries);
2. *Food & Beverage International*, specifically taking care of the *Food & Beverage Far East, Middle East and Northern Europe* (airports and railway stations);
3. *Food & Beverage Europe* operated by Autogrill Italia and Autogrill Europe.

Operational Organization

The Group's operational organization as at the Reorganization Effective Date is illustrated in the chart below.



Non-financial information

It should be noted that non-financial information – such as, among other things, information regarding environmental and social aspects, as well as information regarding the personnel, the respect for human rights, and the fight against active and passive corruption – is contained in the section of the Directors' Report on Operations covering non-financial information that the Company is required to prepare pursuant to Legislative Decree 30 December 2016, no. 254 and the regulations issued by CONSOB through resolution No. 20267 of 18 January 2018.

2. INFORMATION ON OWNERSHIP AS AT THE REPORT DATE

a) Structure of the Share Capital

Ordinary Shares

As of the date of this Report, the amount of the fully paid-up share capital of Autogrill is Euro 68,688,000, consisting of 254,400,000 ordinary shares with no indication of their nominal value.

The following table shows the categories of shares that make up the share capital:

STRUCTURE OF SHARE CAPITAL				
Category of shares	# shares	% of share capital	Stock exchange quotation	Rights and obligations
Ordinary shares	254,400,000	100%	Listed in the Online Stock Exchange managed by Borsa Italiana S.p.A.	As per law and Bylaws

All Autogrill's ordinary shares have the same unrestricted rights.

Other Financial Instruments

On 20 April 2010, the ordinary shareholders' meeting approved the stock option plan 2010 reserved to Autogrill's executive directors and employees holding strategic functions, pursuant to art. 114-bis, paragraph 1, of TUF. The plan approved in 2010 was later amended through the resolution approved by the shareholders' meeting of 6 June 2013, pursuant to art. 114-bis, paragraph 1, of TUF, in the framework of Autogrill's partial proportional demerger (the "**Demerger**"), which was implemented through the assignment of the activities indirectly conducted by Autogrill in the *Travel Retail & Duty Free* sector to World Duty Free S.p.A. from 1 October 2013 (the stock option plan 2010, as amended in 2013, the "**Stock Option Plan**").

Each option allocated on an unpaid basis in the framework of the Stock Option Plan grants to the beneficiaries the right to subscribe for, or purchase, one share in Autogrill and one share in World Duty Free S.p.A.

The option maturity period ended on 20 April 2014. As of the date of this Report, none of the 823,293 options matured according to the Stock Option Plan regulations is still in circulation. All the beneficiaries have already exercised the rights granted by the Stock Option Plan.

The terms and conditions of the Stock Option Plan, including the potential beneficiaries and the price to exercise matured options, are set forth in (i) an information document issued pursuant to art. 114-*bis*, TUF, and art. 84-*bis*, paragraph 1, of the Regulations adopted by CONSOB with Resolution no. 11971 of 14 May 1999, as subsequently amended (the "**Issuers' Regulations**"), and in compliance with Schedule 7, Annex 3A of said Issuers' Regulations published on 4 May 2013, as well as (ii) in the Remuneration Report prepared pursuant to art. 123-*ter*, TUF, and art. 84-*quater* of the Issuers' Regulations and in compliance with Schedule 7-*bis*, Annex 3A of the same Issuers' Regulations, approved on 8 March 2018 (the "**Remuneration Report**") and (iii) in the Company's draft financial statements for the year ended 31 December 2017, approved by the Board of Directors on 8 March 2018 (the "**Draft Financial Statements**"). The Information Document, the Remuneration Report and the Draft Financial Statements are available at the Company's registered office and in the corporate website (www.autogrill.com - Governance section, Shareholders' Meeting).

b) Restrictions on Transfer of Securities

There are no restrictions on transfer of Autogrill securities nor limits on possession of them. There are no clauses requiring approval of access to share ownership of the Company.

c) Significant Shareholdings

Significant direct or indirect shareholdings in Autogrill's capital, as resulting from the disclosures received by the Company pursuant to art. 120 of TUF until the date of this Report, are detailed in Table 1 in the appendix.

d) Securities conferring Special Rights

No securities conferring special rights of control have been issued and there are no holders of special powers as defined in current law or the Bylaws.

e) Employee Stock Ownership Plans: Mechanism for exercising Voting Rights

No employee stock ownership plans are currently envisaged. There are no mechanisms excluding or limiting the exercise of voting rights regarding the participating interest allocated to the employees in the framework of previously adopted incentive schemes.

f) Restrictions on Voting Rights

There are no restrictions on shareholder's voting rights save for the terms and conditions disciplining exercise of the right to participate and vote in Shareholders' Meetings set forth in section 16 hereunder.

g) Shareholder Agreements

The Company has not been notified of any shareholder agreements as defined in art. 122 of TUF.

h) Change of Control Clauses and Provisions in the Bylaws regarding Takeover Bids

Commercial Contracts

*Sub-licensing
Agreements for the
Management of
Catering Services*

The Group has currently in place many sub-licensing agreements for the management of catering services in airports, railway stations and motorway service areas. Most of these agreements require a prior authorization of the sub-licensor in case of change in control ("*entry of new controlling shareholders in the sub-licensee's ownership structure*").

Referring to the agreements currently in place in Italy, the authorization can often be denied only if the change in control affects the technical, management, commercial or economic provisions of the related agreements. On the other hand, as to airport agreements, the authorization in case of changes in control is at sub-licensing body's discretion.

Bank Loan Agreements

At the date of this Report, Autogrill is party to:

*Term Amortizing
(150 million
Euros), Revolving
(100 million
Euros), Term
Amortizing and
Revolving (300
million Euros)
Bank Loan
Agreements*

- ✓ a bank loan agreement concerning a term amortizing line of credit for a maximum amount of Euro 150 million, signed on 1 August 2017;
- ✓ a bank loan agreement concerning a revolving line of credit for a maximum amount of Euro 100 million, signed on 26 January 2018; and
- ✓ a bank loan agreement consisting of a term amortizing line of credit and a revolving line of credit for a maximum amount of euro 100 million and euro 200 million respectively, signed on 26 January 2018.

The above-listed bank loan agreements grant the bank, as is customary for this kind of agreements, the right to cancel the existing loan agreements, with the consequent obligation for the borrower to repay all the funds drawn down in advance in case of a change of control of the company. For the purposes of said agreements, the “change of control” would take place when one or more entities – other than current reference Shareholders of Edizione S.r.l. – acting individually or jointly, acquire the control of the Company pursuant to art. 2359, paragraph 1, points 1 and 2, of the Civil Code.

*Revolving Bank
Loan Agreement
(300 million USD)*

The revolving bank loan agreement for a current maximum amount of US\$ 300 million entered into in March 2013 by HMSHost Corporation, an entity headquartered in the United States and wholly owned by Autogrill, contains a similar change of control clause, where a “change in control” occurs when one or multiple entities – other than the reference Shareholders of Edizione S.r.l. – take action individually or jointly, including with their subsidiaries or affiliates, to gain direct or indirect control of more than 50% of HMSHost Corporation shares with voting rights.

Bonds

*HMSHost
Corporation
Bonds (500
million USD and
150 million USD)*

The wholly owned subsidiary HMSHost Corporation issued bonded loans totalling US\$ 500 million as of 31 December 2016, of which US\$ 150 million due in 2017 and the remaining US\$ 350, due between 2020 and 2025. Consequently to any change in the control of HMSHost Corporation, these loans provide each bondholder with the right to obtain the early repayment of the bonds held. According to the rules of these bonded loans, a “change of control” occurs when one or more entities, other than the reference Shareholders of Edizione S.r.l., take action individually or jointly, including with their

subsidiaries or affiliates, to gain direct or indirect control of more than 50% of HMSHost Corporation shares with voting rights.

Provisions in the Bylaws regarding Takeover Bids

Regarding the current provisions of law on takeover bids, the Bylaws do not provide for any departure from the passivity rule contained in TUF, nor expressly provide for the application of the neutralization rules contemplated therein¹.

i) Mandates to increase Share Capital and Authorizations to buy back Shares

Authorization to purchase treasury shares

The ordinary shareholders' meeting, during its ordinary session of 25 May 2017, after revoking the unfulfilled portion of the previous authorization to buy and transfer treasury shares, decided by the ordinary meeting on 26 May 2016, and without prejudice to the transactions carried out till that date, resolved to authorize the purchase – also for the Stock Option Plan and/or other share incentive plans – of up to 12,720,000 ordinary Autogrill shares with no nominal value, including the shares already owned by the Company at that date, in one or more times and at any moment. The treasury share purchase authorization is effective for a period of 18 months starting from 25 May 2017.

As at 31 December 2017, the Company owned a total of 181,641 treasury shares, corresponding approximately to 0.0714% of the share capital, purchased under previous buy-back programmes.

l) Direction and Co-ordination

During the Year, the Company started a process aimed at evaluating if the conditions that determined the resolution of 18 January 2007 that excluded the existence of management and coordination activities over the Company itself still apply. As a result of this evaluation, through a resolution dated 28 September 2017, the Board of Directors confirmed the absence of elements that could suggest that the parent company Schematrentaquattro or the indirect parent company Edizione S.r.l. exercise management and coordination activities over the Company also in the light of the following reflections:

¹ See articles 104, paragraph 1-ter and 104-bis, paragraph 1 of TUF.

1. the Company independently defines the strategic, industrial and financial plans and/or budget of the Company and of the Group and autonomously executes them;
2. the Company does not receive and, anyhow, is not subject in any way to directives or instructions on financial and credit matters;
3. commercial strategies are autonomously and freely evaluated by the Board of Directors of the Company that operates in full negotiating autonomy in its relationships with its customers and suppliers;
4. the Company is not bound by group policies for the purchase of goods or services on the market;
5. the Company is not the recipient of "directives" or "instructions" regarding acquisitions and disposals;
6. the Company is not party to any cash pooling agreement or any other financial assistance or coordination functions;
7. the Company does not receive or, anyhow, is not subject in any way to directives regarding the execution of extraordinary transactions and/or investment initiatives;
8. the organizational chart of Autogrill Company and Group has been freely prepared and approved by the Company;
9. the Company is not required to comply with codes of conduct or policies imposed by Schematrentaquattro or another company of the group belonging to Edizione S.r.l.

* * *

We finally highlight that:

- The information required by art. 123-bis, paragraph 1, letter i), TUF concerning the *"agreements between a company and its directors [...] that provide for indemnity in the event of resignation or dismissal without cause or if the employment relationship ceases following a takeover bid"*) is provided in the Remuneration Report available at the Company's registered office and in its website (*www.autogrill.com* - Governance section);
- The information required by art. 123-bis, paragraph 1, letter l), TUF concerning the *"rules applicable to the appointment and substitution of directors [...] and modifications to the by-laws if different from provisions of the law and regulations applicable on*

Reference to the
Remuneration
Report

a supplementary basis") is provided in the section on the Board of Directors in this Report (paragraph 4.1).

3. COMPLIANCE

Adoption of the Self-Regulatory Code, as amended in 2015

Autogrill has constantly adopted the principles and recommendations of the Self-Regulatory Code, consistently updating its corporate governance and illustrating it in the annual report on corporate governance and ownership structure from time to time. In particular, during the year 2016, Autogrill adopted the principles and application criteria that were most recently introduced in the Self-Regulatory Code, as amended on 10 July 2015, available on the Corporate Governance Committee's website (<http://www.borsaitaliana.it/comitato-corporate-governance/codice/2015clean.pdf>) in compliance with the provisions of paragraph IX of the "Guiding Principles and Transitional Arrangements" section of the Self-Regulatory Code.

Autogrill Code

In line with international corporate governance best practices, already in 2012, the Board of Directors, based on a proposal of the Control, Risk and Corporate Governance Committee, approved a specific Self-Regulatory Code for Autogrill (the "**Autogrill Code**"), available in the Company's website www.autogrill.com - Governance section), in the version most recently amended and updated in December 2016. Purpose of the Autogrill Code, to which the readers are referred for further details, is to provide Shareholders and any other Stakeholder with a useful tool to better and quickly understand the essential structure/layout of Autogrill.

Comply or explain

The next sections of the Report will also explain - according to the "comply or explain"² principle – the few principles and application criteria of the Self-Regulatory Code, which the Company has not, so far, decided to adopt.

² Principle set out in the "Guiding Principles and Transitional Arrangements" section of the Self-Regulatory Code, paragraphs III and IV. Incidentally, we remind the readers that, in line with the Recommendation on the quality of corporate governance reporting ("comply or explain" principle) adopted by the European Commission on 9 April 2014 (2014/208/EU), paragraph IV of the aforementioned "Guiding Principles and Transitional Arrangements" section of the Code provides, *inter alia*, that, in the annual report on corporate governance, issuers should clearly indicate the specific recommendations contained in the principles and application criteria of the Self-Regulatory Code from which they diverged. For each deviation, issuers should in particular: (a) explain how they have failed to comply with the recommendation; (b) describe the reasons for the deviation, avoiding generic or formalistic expressions; (c) describe how the decision to depart from the recommendation was taken within the Company; (d) if the deviation is limited over time, indicate the date from which they expect to start complying with the recommendation; (e) describe the behaviour, if any, adopted as an alternative to the recommendations from which they diverged and explain how said behaviour reaches the objective underlying the recommendation; or explain how the chosen behaviour contributes to their good corporate governance.

This Report is available at the Company's registered office, in its website (www.autogrill.com - *Governance* section) and in Borsa Italiana's website (www.borsaitaliana.it).

Neither the Company nor the companies under the direct or indirect control of Autogrill (its "**Subsidiaries**") are bound to obey non-Italian laws that could affect Autogrill's corporate governance structure.

4. BOARD OF DIRECTORS

4.1. Appointment and Substitution

Statutory Provisions

The appointment and substitution of Directors are regulated by the applicable legislation and by article 10 of the Bylaws, whose provisions are set forth below.

Number of Directors

The Board of Directors consists of a number of members ranging from a minimum of three to a maximum of fifteen. The number of members of the Board of Directors is determined by the Meeting upon its appointment. If no number is established, the number of members is automatically fixed in fifteen.

Lists of Candidates

The Directors are appointed by the shareholders from lists submitted by the Shareholders in accordance with laws and regulations in force from time to time, also in compliance with the regulations on balance between genders, where a number of up to fifteen candidates that meet the current legal and regulatory requirements will be listed and assigned progressive numbers.

The lists must indicate which candidates meet the independence requirements set out in the applicable provisions of law and regulations.

The lists that contain three or more candidates must include candidates of both genders, so that at least one fifth (for the first mandate after 12 August 2012) and then one third (rounded up) of the candidates belong to the less represented gender.

Entitlement to present Lists of Candidates and relevant Conditions

Each Shareholder may present or take part in the presentation of one list only and each candidate may be presented on one list only or not qualify for election. Lists may be presented only by shareholders who alone or together with other shareholders represent at least 1.5% of the share capital or any other lower legal or regulatory percentage currently in force.

In this regard, we point out that with its Resolution no. 20273 of 24 January 2018, CONSOB fixed the minimum participation for presentation of list of candidates for Autogrill boards of Directors and statutory auditors at 1% pursuant to art. 144-*quater* of the Issuers' Regulations.

Together with each list, within the terms set forth in the provisions of law and regulations in force from time to time, statements must be

submitted where the individual candidates accept their candidacy and certify, under their own responsibility, that no causes of ineligibility and incompatibility exist and that they meet the requirements specified in the applicable legislation for the respective positions. These statements shall be filed along with the candidates' CVs or résumés providing personal details and professional information, and indicating their eventual requisites for independent directorships.

Lists failing to comply with the aforementioned requirements shall not be taken into consideration.

*List Votes and
Appointment
Mechanisms*

Each person with the right to vote can vote for one list only.

After voting, the elected candidates shall be those of the two lists that received the most votes on the basis of the following criteria:

- a) the total number of Directors to elect less two shall be taken from the list that obtains the majority of the votes cast by the Shareholders, in the progressive order in which they are listed;
- b) the other two Directors shall be taken from the list that received the most votes, after the first list, in the Meeting ("minority list"), provided it is in no way connected, not even indirectly, with the Shareholders who submitted or voted the list that received the most votes.

In the event of an equal number of votes, the entire Shareholders' Meeting shall vote again and the candidate elected shall be the candidate who obtains a simple majority of votes, subject to the provisions specified below for the balance between genders in compliance with current law.

If after voting, a sufficient number of Directors with the legal and regulatory independence requirements have not been elected, the last candidate in progressive order on the list that obtained the most votes who does not meet said requirements shall be excluded and replaced by the next candidate possessing said requirements from the same list. This procedure must be repeated until the required number of independent Directors has been elected.

*Balance between
the Genders
represented in the
Board of Directors*

In the event that the candidates elected as specified above do not ensure the required composition of the Board of Directors, in accordance with current law on the balance between genders, the candidate of the more represented gender elected last in progressive order in the list that obtained most votes shall be replaced by the first candidate in progressive order of the less represented gender not elected from that list. This replacement procedure shall be followed

until a compliant composition of the Board of Directors is reached as required by the current law concerning the balance between genders. If this procedure still fails to ensure the expected result, the replacement shall be decided by the Meeting with the relative majority of votes, after the presentation of candidates of the less represented gender.

*Residual
Appointment
Mechanisms*

If only one list is presented, or if no list at all is presented or if a list presented does not allow for the election of independent Directors pursuant to legal and regulatory requirements, the Meeting shall vote with the legal majority, subject to compliance with the current law on balance between genders.

*Change in the
Number and
Replacement of
Directors*

The Shareholders' Meeting may, even in the course of the Board's mandate, change the number of members of the Board of Directors, subject to the limit stated in the first paragraph of art. 10, and proceed with the relevant appointments. The term of office of Directors thus elected shall end with that of the Directors already appointed.

Should one or more Directors lapse from office during the business year, action shall be taken pursuant to art. 2836 C.C.

As an exception to the provisions of art. 10 of the Bylaws specified above, if, for any reason, the Director or Directors taken from the minority list cannot take up office or having taken it up must then stand down, he/they shall be replaced by the candidate/s belonging to the same list, by progressive order, and who are still eligible and willing to accept office. The principle of balance between genders shall in any case be complied with either upon co-opting and in the Shareholders' Meeting.

The procedure for confirming a Director co-opted by the Board of Directors or appointing another Director to replace him in the following Shareholders' Meeting is as follows: shareholders either individually or together representing at least 1.5% of the share capital or any other lower legal or regulatory percentage may indicate a candidate by filing the documentation indicated in art. 10 of the Bylaws. As previously pointed out, CONSOB, with Resolution no. 20273 of 24 January 2018, fixed the minimum participation for presentation of candidates at 1%.

If a co-opted Director or the Director replaced by him had been taken from the minority list, the Shareholder representing the majority of the share capital present at the Meeting and any other Shareholders in

any way connected, even indirectly, with such Shareholder are barred from voting.

The previous provisions of art. 10 of the Bylaws hereby mentioned shall apply *mutatis mutandis*.

After the vote, the candidate obtaining the most votes shall be elected.

Should the majority of the Directors lapse, the entire Board of Directors shall be considered to have resigned and the Shareholders' Meeting shall be promptly called by the Board of Directors for the appointment of the new Board of Directors.

*Simul stabunt
simul cadent
(stand or fall
together) clause*

Succession Plans

The Corporate HR function co-ordinates the process of evaluating the positions in the Group with most impact on the business or of a particularly critical nature and at the same time assesses the skills, performance and capacities of people currently in such positions. The annual assessment process now in place is able to identify people potentially suitable for filling any "key positions" that might fall vacant without warning in the various business structures. If no suitable internal resources are available to fill such positions in the short term, the external market is screened for candidates.

However, this assessment does not concern the Executive Director, as better explained in the paragraph "Replacement of Executive Directors" below.

Furthermore, the Group favours training programmes for especially meritorious personnel and both vertical (in the same function and/or business unit) and horizontal (moving between functions and/or business units) career paths, and with a strong focus on international training for future Group managers.

The Group's human resources management is based on models that encourage and reward merit and seeks to identify the skills required in key positions which are particularly critical and strategic for the Group, thus enabling all its companies to use suitable tools for pre-selecting employees with the skills needed in succession situations (whether through promotion or horizontal transfer).

Top management assessment results (which also cover posts of "strategic responsibility") are submitted to the Human Resources Committee (in whose meetings the Chairperson of the statutory

*Yearly
Assessment of
Key Positions
within the Group*

*Training
Programmes for
the Personnel*

*Process of Top
Management
Assessment*

auditors, or another statutory Auditor on his/her behalf, takes part as recommended in art. 6 of the Self-Regulatory Code and such information is updated at least annually.

*Replacement of
Executive
Directors*

The Group's human resources management is also geared to possibly replacing the CEO, in the event of termination of his office, although there is no specific "succession plan" for this case at the date of this Report.

In this regard, we point out that, in compliance with the provisions set forth in the application criterion 5.C.2. of the Self-Regulatory Code, on 9 March 2017, the Board of Directors has assessed again the possible adoption of a succession plan for Executive Directors. As a result of this assessment and considering the specific organization of human resources implemented by the Company and the peculiarity of the reference market, the Board of Directors decided not to adopt a succession plan and, therefore, confirmed the orientation already expressed with the resolution adopted on 20 December 2012. This issue was brought to the attention of the Board of Directors again on 8 March 2018, also taking into account the recommendations included in the letter sent on 13 December 2017 by the chairperson of the Corporate Governance Committee, as better specified in paragraph 19 below.

4.2. Composition

*Duration of the
Office of
appointed
Directors*

The current Board of Directors will remain in office until after approval of the 2019 financial statements by the Meeting, and was elected by the Shareholders' Meeting held on 25 May 2017, by list vote, pursuant to art. 10 of the Bylaws.

*Lists presented for
the Appointment
of the Directors in
Office*

For the appointment of the Board currently in office, two lists were presented:

- (i) a list of 13 candidates presented by the majority shareholder Schematrentaquattro, who, at the date of presentation of said list, held a 50.10% share of Autogrill's share capital ("**List A**"). The candidates on this list were: Gilberto Benetton, Gianmario Tondato Da Ruos, Alessandro Benetton, Franca Bertagnin Benetton, Marco Patuano, Paolo Roverato, Cristina De Benedetti, Massimo Di Fasanella D'Amore Di Ruffano, Catherine Gérardin Vautrin, Maria Pierdicchi, Elisabetta Ripa, Massimo Fava and Valentina Martinelli;

- (ii) a list of 3 candidates (Ernesto Albanese, Francesco Umile Chiappetta and Laura Donnini) presented by the following 16 Shareholders-investment fund administrators, who, at the date of presentation of said list, jointly held a 3.617% share of Autogrill's share capital: Aletti Gestielle SGR S.p.A., Anima SGR S.p.A., Arca SGR S.p.A., Ersel Asset Management SGR S.p.A., Eurizon Capital S.A., Eurizon Capital SGR S.p.A., Fidelity Funds - Italy, Fideuram Asset Management (Ireland) Limited, Fideuram Investimenti S.p.A., Inferfund Sicav Interfund Equity Italy, Mediolanum Gestione Fondi SGR p.A., Mediolanum International Funds Limited – Challenge Fund – Challenge Italian Equity, Pioneer Asset Management S.A., Pioneer Investment Management SGR p.A., UBI Sicav and Ubi Pramerica SGR S.p.A. ("**List B**").

Directors in Office

With votes representing 51.878% of the share capital (71.276% of the voting capital present at the Meeting), the following candidates in list A were appointed: Gilberto Benetton, Gianmario Tondato Da Ruos, Alessandro Benetton, Franca Bertagnin Benetton, Marco Patuano, Paolo Roverato, Cristina De Benedetti, Massimo Di Fasanella d'Amore Di Ruffano, Catherine Gérardin Vautrin, Maria Pierdicchi and Elisabetta Ripa.

With votes representing 20.731% of the share capital (28.483% of the voting capital), the following candidates in list B were elected: Ernesto Albanese and Francesco Umile Chiappetta.

No Cross-Directorship

We specify that as of the date of this Report there are no so-called cross-directorship³ situations: in fact, Autogrill's CEO, Mr. Gianmario Tondato Da Ruos, does not hold a directorship in any company external to the Group in which another Autogrill Director is CEO.

Set forth below are the personal and professional profiles of each Director.

Please note that information on seniority in office and attendance at board meeting and committees is given in Table 2 in the appendix.

³ In this regard, see the application criterion 2.C.5. of the Self-Regulatory Code.

Curricula vitae of the Directors in office

Gilberto Benetton

Chairman of the Board of Directors

Born in Treviso in 1941, Gilberto Benetton is the person who staged the diversification of the Benetton family's activities in the retail, infrastructure and real estate sectors during the last 20 years, after setting up the Benetton Group in 1965 as a leader in the fashion industry together with his sister Giuliana and brothers Luciano and Carlo.

He is Deputy Chairman of Edizione S.r.l., the family holding company, Chairman of Autogrill's Board of Directors (since 1997) and Edizione Property S.p.A., a Board Member of Atlantia S.p.A.

As a keen sportsman, Gilberto Benetton has promoted the many sporting initiatives of the companies belonging to the Edizione Group, especially in the youth sector, social activities and professional rugby. Through the Benetton Foundation he created La Ghirada, a prominent sports centre in Treviso. Since 1988, he has been the Chairman of Verde Sport S.p.A., the company that manages the sports centre La Ghirada and organizes many activities for the youth and the community. In addition to all this, he also chairs Asolo Golf Club S.r.l., one of the most prestigious golf clubs in Europe.

Gianmario Tondato Da Ruos

Chief Executive Officer and Group's CEO since April 2003 (Director since March 2003).

Born in Oderzo (Treviso) in 1960, he graduated in Economics & Business at Ca' Foscari University in Venice, started his career in Nordica S.p.A., then continued in Arnoldo Mondadori Editore and various companies of the Benetton Group.

In 2000, he joined Autogrill Group and moved to the United States to manage the integration of the newly acquired North American subsidiary HMSHost Corporation. Then, he managed an important phase of reorganization and strategic refocusing of Group's licensed activities and diversification into business sectors, distribution channels and geographies. His international policy of growth through organic development and acquisitions enabled Autogrill to double its

sales in the Food & Beverage sector. At the same time, the acquisition and subsequent integration of Aldeasa S.A., Alpha Group Plc. and World Duty Free Europe Ltd. transformed the Group into the world's biggest airport retailer in 2008. This course of action continued with the demerger and concomitant listing of World Duty Free S.p.A. in 2013 on the stock market.

He is now chairperson of HMShost Corporation, chairperson of the Board of Directors of Autogrill Italia S.p.A. and Autogrill Europe S.p.A., Independent Director of International Game Technology PLC and Member of the Advisory Board of Rabo Bank.

Alessandro Benetton

Director

Born in Treviso in 1964. He graduated in Business Administration from Boston University. In 1991 he obtained a Master Degree in Business Administration from Harvard.

His professional career began at Goldman Sachs, as an M&A analyst. In 1993 he founded 21 Investimenti, an investment company operating on the market of Private Equity in Italy, France, Switzerland and Poland.

He is Chairman and CEO of 21 Partners S.p.A., board member of Edizione S.r.l., Autogrill (since 1997). He is Chairman of the Board of Directors of 21 Investimenti SGR S.p.A. and a member of the Supervisory Board of 21 Centrale Partners S.A. He is also a member of the International Advisory Committee of Robert Bosch Internationale Beteiligungen AG, the consultancy body of the Swiss holding company for the foreign activities of Bosch Group. In 2017, he became the Chairman of Fondazione Cortina 2021, the entity responsible for organizing the World Ski Championships in 2021.

Franca Bertagnin Benetton

Director

Born in 1968 in Conegliano, Treviso. She graduated at Boston University. In 1996, she obtained a Master Degree in Business Administration from Harvard University.

Her professional career began at Colgate – Palmolive in New York as Product Manager within the Global Business Development division

and continued in the same role for the Palmolive Body Care brand in Hamburg, Germany. She returned to Italy to deal with strategic consulting at Bain & Co. and then moved to Benetton Group S.r.l.

She is currently managing director of Evoluzione S.p.A. and member of the Board of Directors of Edizione S.r.l. and Benetton Group S.r.l.

Marco Patuano

Director

Born in Alessandria in 1964.

He graduated in Business Economics and Finance at Bocconi University in Milan, and completed his training attending various post-graduate courses in Europe and the USA.

Between 1990 and 2016, he worked in Telecom Italia Group, where he reached the position of CEO in 2011. During his office in Telecom Italia, he spent several years abroad (2002-2008), holding, *inter alia*, the positions of CFO Brazil, General Manager Latin America and CEO Telecom Argentina. In the same period, he was a member of the Boards of several companies listed in local markets and in the USA.

Until 2016, he was also an advisor to the Telecom Italia Foundation, the Bocconi Foundation, the European Institute of Oncology and collaborated with various universities in Italy and the USA.

Since 2017, he holds the office of CEO of Edizione S.r.l., an equity investment holding company belonging to the Benetton family, and the position of Director of Atlantia S.p.A., Benetton Group S.r.l. and Autogrill S.p.A. In April 2017, he was appointed Director of the company AC Milan S.p.A.

Paolo Roverato

Director

Born in Padua in 1963, he graduated in business economics from Ca' Foscari University in Venice. He is a chartered accountant and registered auditor.

He started his professional career with a primary accounting firm in Padua and in 1989 joined Arthur Andersen S.p.A., where he became a manager in 1994 and took up increasing responsibilities over time within the framework of its national organization.

Since 2002, he has been an executive at Edizione S.r.l., where he manages a portfolio of equity stakes and the investment management activity.

At present, he holds the following offices: director and member of the Control, Risk and Corporate Governance Committee, of the Human Resources Committee and of the Strategy and Investment Committee of Autogrill; director of Edizione Property S.p.A., the company that manages the real estate of the Edizione Group; director of Maccarese S.p.A. and Immobiliare San Giorgio S.r.l., a company of the agricultural cluster of Edizione Group; managing director of Edizione Alberghi S.r.l.; standing statutory auditor and member of the Supervisory Committee of Alì S.p.A.

He has previously been a director of the following companies listed on the Milan Stock Exchange: World Duty Free S.p.A. (and member of the Control Committee and of the Human Resources Committee), a leading company in airport retail; Telecom Italia Media S.p.A., media company of Telecom Group; Gemina S.p.A., a company holding a portfolio of equity investments (including Aeroporti di Roma and Impregilo); Aeroporto di Firenze S.p.A.

He was also a director of the following companies: Aeroporti di Roma S.p.A., Investimenti Infrastrutture S.p.A., Leonardo S.r.l., Schemaventotto S.p.A., Schematrentaquattro, World Duty Free S.a.u., Sagat-Aeroporto di Torino S.p.A. and managing director of Aeroporti Holding S.r.l.

Cristina De Benetti

Independent Director

Born in Treviso in 1966. Cristina graduated in Economics from Ca' Foscari University of Venice and in Law from the University of Trieste; she later obtained the PhD in Administrative Law.

She began her professional career at the law firm of Prof. Feliciano Benvenuti, in Venice, where she worked for about fifteen years.

She is a lawyer in the Supreme Court, registered with the Register of Arbitrators of the Arbitration Board of the Autorità Nazionale Anticorruzione (National Anti-Bribery Authority, ANAC), and partner at Leading Law. She is associate professor of Public Law Institutions - Administrative Law at Ca' Foscari University of Venice, where she is a

member of academic bodies and Scientific Director of the Master in Environmental Law and Territorial Governance.

She is the author of several publications, a member of the scientific committees of legal journals and a speaker at conferences on administrative law.

She has been a member of the Board of Directors of Milano Assicurazioni S.p.A., of the Supervisory Body, of the Related Party Transaction Committee, of the Control, Risk and Corporate Governance Committee, and of the Remuneration Committee.

She is currently a Board Member of AerTre S.p.A. - Aeroporto di Treviso S.p.A., Ca' Foscari University Foundation, Autostrade Meridionali S.p.A. (where she is also a member of the Committee of independent directors for the transactions with related parties and of the control, risk and corporate governance Committee), Unipol Banca S.p.A. (where she is also a member of the Committee of independent directors for the transactions with related parties and of the internal control Committee), MOM S.p.A. - Mobilità di Marca S.p.A. and UnipolSai S.p.A.

Massimo Di Fasanella D'Amore Di Ruffano

Independent Director

Born in Bari in 1955, he obtained his engineering degree from the École Polytechnique Fédérale of Lausanne.

From 1980 to 1995 he covered several positions in Procter & Gamble, in the marketing, operations and general management sectors in Europe and in North Africa.

In 1995 he was appointed International Marketing Vice-President of PepsiCo, where he contributed to the development of the Pepsi brand in Latin America, China and India.

In 1997 he was appointed Senior Vice-President and Chief Marketing Officer of Pepsi-Cola International, but simultaneously maintained the role of Business Unit General Manager for Turkey and Central Asia. Between 2000 and 2007, he covered several leadership positions in the company: Senior Vice President Strategy and Development (2000-2002), President for the Latin American Region (2002-2005) and Executive Vice-President Commercial of PepsiCo International.

In 2007 he was appointed as CEO to head the Beverages Division of PepsiCo for the Americas and in 2011-2012 he became President of the Global Beverages Group for the Beverages Division of PepsiCo.

Since 2012 he has been an independent member of Autogrill's Board of Directors, since 2013 he has been a Board Member of HMSHost Corporation, and since January 2018 he has been a Board Member of Autogrill Europe S.p.A..

Catherine Gérardin-Vautrin

Independent Director

Catherine Gérardin Vautrin, who obtained a master in Law and graduated at HEC Business School, is a well-known manager in the world of fashion.

Since February 2015 she has been Managing Director of PAULE KA, a Paris-based women's ready-to-wear fashion house, bringing a rejuvenation of the brand - image and product -, as well as strengthening and developing the international business base.

She was Managing Director of CERRUTI, where from 2011 to 2014 she carried out a significant repositioning of the brand, especially strengthening its image and collections.

Before 2011, she was Managing Director of Emilio Pucci, a historic brand that had become a niche brand, and she led its relaunching and international expansion.

Catherine Vautrin started her career at LOUIS VUITTON MALLETTIER, where she later was international manager of the image of the stores, and then director of the men's and women's ready-to-wear lines.

Since 2009, she has also been a member of the Board of Directors of Yoox (now YNAP), one of the leading fashion e-commerce operators.

Since June 2016 she is a member of the Board of Directors of Davide Campari-Milano S.p.A..

Maria Pierdicchi

Independent Administrator

Born in Schio, Vicenza, in 1957, she graduated in Political Economics from Bocconi University in 1982 and obtained an MBA with Honours in Finance from New York University, Stern School of Business

Administration in 1988. She worked at Bocconi University and the World Bank as an assistant researcher in the banking sector, and then her career oriented towards the field of financial services. After being appointed Senior Financial Analyst in the corporate finance sector in Citibank, she became the Central Manager of Premafin, a listed and diversified holding company, where she was responsible for the strategic and financial control of three listed subsidiaries and for the holding company's relations with investors.

In 1999, she entered the Italian Stock Exchange, where she designed, launched and managed Nuovo Mercato, the stock market for high-growth companies, listing 45 companies and managing all promotional activities towards investors, issuers and intermediaries.

In 2003, she was appointed Managing Director of Standard & Poor's Italy and, later, Head of Southern Europe for the management and development of activities and franchising, as well as the institutional scope of the rating agency, significantly expanding its leadership in the financial analytics sector.

Since 2015 she has served as Independent Director of Luxottica Group. In 2016, she was appointed sole independent director of the banks under resolution (Nuove Banche Marche, Etruria e Lazio, Cassa di Risparmio di Chieti) by the Resolution Unit of Banca d'Italia. Following the successful resolution and transfer of three banks to the UBI Group in 2017, she remained an Independent Director.

During her professional career she served as a Director and Vice-President of the American Chamber of Commerce, the Collegio San Carlo and several boards of directors. She was a founding member of the Valore D association and is actively involved in various projects aimed at supporting gender diversity in companies.

For her achievements throughout her career, she was awarded the Belisario Prize in 2001, as well as other awards.

Elisabetta Ripa

Independent Administrator

Born in Turin in 1965, she graduated in Economics from La Sapienza University of Rome and completed her managerial education at INSEAD in Fontainebleau.

In 1988, she began her career at PromoMedia Italia and in 1990 she developed her professional career in the Telecom Italia Group, where

she held managerial positions of increasing responsibility in the areas of Business Development, International Development and Finance. In 2011, she took over responsibility for the Mobile Services Division (TIM) and in 2013 was appointed Managing Director of the Sparkle Group.

In the period 2015 - 2016 she worked in Argentina as CEO of Telecom S.A., a leading operator in telecommunications and digital services in South America.

She was chairperson of Personal S.A., LanMed Nautilus Ltd., TIS North America Inc. and a member of the Board of Directors of Avea Turchia and StetHellas.

Since 1 January 2018, she is Managing Director of Open Fiber S.p.A.

Ernesto Albanese

Independent Director appointed by minority shareholders

Born in Naples in 1964, Ernesto Albanese graduated in Political Sciences and International Economics at Federico II University in Naples, completed his education with a master's degree in Services Marketing at Unioncamere (Consortium of Italian Chambers of Commerce) and later attended specialist courses at SDA Bocconi and The Institute of Marketing in London.

He has over 25 years of experience, most of which as a top manager in public and private companies in different sectors, especially transport, tourism and sport.

During his professional career, he worked in Alitalia and Seat Pagine Gialle, he held the position of Chief Executive Officer of Eurofly S.p.A., general director of Coni Servizi S.p.A., Chief Executive Officer of Atahotels and the Fondiaria-Sai Group, and General Director of the Organizing Committee of the 2020 Olympic Games in Rome.

He is the founder and CEO of Fattore Italia S.r.l., as well as the Chief Executive Officer of CampusX S.r.l., a company that manages university residences in Rome, Bari and Chieti.

He is chairman of L'Altra Napoli Onlus, a member of the Board of Directors of Autogrill, Prelios Deutschland and the vocational training consortium ELIS.

In 2007, he was awarded the title of *Commendatore* (Knight Commander) of the Italian Republic.

Francesco Umile Chiappetta

Independent Director appointed by minority shareholders

Born in Rome in 1960, he graduated in Law at La Sapienza University in Rome.

His professional career began in 1983 at Consob, where he held various positions, including as Head of the Regulation Office. Since 1989 he has been working as an academic, holding courses and seminars at major Italian universities, such as Luiss in Roma and Bocconi in Milano. He published several papers on corporate law and securities market.

During his professional career, he held the office of Deputy General Director of Assonime, where he was in charge of the corporate law and securities market sector, Secretary of the Board of Directors and General Counsel of Telecom Italia S.p.A. and General Counsel and General & Institutional Affairs Director of Pirelli & C. S.p.A.

He is Chairman of the Company Law Working Group of Business Europe – the Confederation of European Business, former UNICE (Union of Industrial and Employers' Confederation of Europe), member of the Board of Directors of Istituto Europeo di Oncologia (IEO) and Armònia Sgr.

Diversity Policies

Since the renewal of Autogrill's corporate bodies in 2014, a balanced representation of genders was ensured in the composition of the Board of Directors, as provided for by Law No. 120 of 12 July 2011 (the "**Law 120/2011**"), TUF and CONSOB Resolution No. 18098/2012.

In particular, compliance with these rules is ensured by the Bylaws, which were amended by a resolution of the Board of Directors on 27 September 2012 to precisely reflect the provisions of Law No. 120/2011. Pursuant to Law No. 120/2011, upon the first renewal of administrative and control bodies one year after the date of its entry into force, a quota of at least one fifth of elected Directors and Standing Auditors and a quota of at least one third in the following two terms must be reserved for the less represented gender. The

provisions of Articles 10⁴ and 20⁵ of the Bylaws concerning the appointment of the Board of Directors and the Board of Statutory

4 Article 10 of the Bylaws (*Board of Directors*) provides as follows:

"The company is managed by a Board of Directors composed of a minimum of 3 (three) members and a maximum of 15 (fifteen) members, who serve for a term of up to 3 (three) fiscal years or a period established at the time of appointment, but, in any case, not more than 3 (three) fiscal years, and who are eligible for re-election.

Before appointing the Board of Directors, the Shareholders' Meeting establishes the number of its members.

If the Meeting does not vote on the number of members to sit on the Board of Directors, such number is automatically taken to be 15 (fifteen).

The Directors are appointed by the Shareholders from lists submitted by the Shareholders in accordance with the laws and regulations in force from time to time, including those relating to gender balance, in which up to 15 (fifteen) candidates in possession of the current legal and regulatory requisites are listed under progressive numbers.

The lists must indicate which candidates have the current legal and regulatory requisites of independence. Lists of three or more candidates must be made up of candidates of both sexes in such a way that at least one fifth of the candidates belong to the less represented gender (at the first mandate after 12 August 2012) and then one third (rounded up, in any case) of the candidates.

Each Shareholder may present or take part in the presentation of one list only and each candidate may be presented on one list only or not qualify for election. Lists may be presented only by Shareholders who, alone or together with other Shareholders, represent at least 1.5% of the share capital or any other lower legal or regulatory percentage in force from time to time.

Each such list must be accompanied, in accordance with the laws and regulations in force from time to time, by statements in which the individual candidates accept their candidacy and declare, under their own responsibility, that no causes of ineligibility and incompatibility exist and that the conditions required by law for their respective positions are met. Such declarations shall be filed along with candidates' CVs, providing personal and professional details and their suitability to qualify as independent directors.

Lists failing to comply with the aforementioned requirements shall not be taken into consideration.

Each person with the right to vote may vote for one list only.

After voting, the elected candidates shall be those of the two lists that obtained most votes on the basis of the following criteria:

- a) the total number of directors to elect less two (2) shall be taken from the list that obtains the majority of the votes cast by the Shareholders, in the progressive order in which they are listed;
- b) the other two (2) Directors shall be taken from the list that received most votes, after the first list, in the Meeting ("Minority List"), provided it is in no way connected, not even indirectly, with the Shareholders, who submitted or voted the list that received most votes.

In the event of an equal number of votes, the entire Shareholders' Meeting shall vote again and the candidates elected shall be those who obtain a simple majority of votes, subject to the provisions hereunder ensuring gender balance in compliance with current law.

If, after voting, a sufficient number of Directors with the legal and regulatory independence requisites have not been elected, the last candidate in progressive order on the list that obtained most votes and who is not in possession of such requisites shall be excluded and replaced by the next candidate possessing said requisites from the same list. This procedure must be repeated until the required number of independent Directors has been elected.

If the candidates elected as described above do not produce a Board with a gender balance in accordance with current law, the candidate of the more represented gender elected last in progressive order in the list that obtained most votes shall be replaced by the first candidate in progressive order of the less represented gender not elected from that list. This substitution procedure shall be operated until the composition of the Board conforms to current law on gender balance. If said procedure does not ensure such a result, substitution shall be carried out by a resolution of the Shareholders' Meeting (voting by simple majority) following presentation of the candidates belonging to the less represented gender. If only one list is presented, or if no list at all is presented or if a list presented does not allow for the election of independent Directors pursuant to legal and regulatory requirements, the Meeting shall vote with the legal majority and subject to the provisions of current law on gender balance.

The Shareholders' Meeting may, even during the term of office, vary the number of members of the Board of Directors, within the limits set forth in the first paragraph of this article, and make the relevant appointments. The term of office of Directors thus elected shall end with that of the Board of Directors.

Should one or more Directors cease to hold office during the fiscal year, action shall be taken pursuant to article 2836 of the Italian Civil Code and in compliance with the applicable provisions on (male and female) gender balance.

As an exception to the foregoing provisions of this article, if for any reason the Director or Directors taken from the minority list cannot take up office or having taken it up must then cease to hold the office, (s)he/they shall be replaced by the next candidate/s belonging to the same list, by progressive order, and who is/are still eligible and willing to accept office.

The provisions of current law on gender balance must in any case be complied with both upon co-opting and in the Shareholders' Meeting.

The procedure for confirming a Director co-opted by the Board of Directors or appointing another Director to replace him/her at the next Shareholders' Meeting is as follows: Shareholders either individually or together representing 1.5% of the share capital or any other lower legal regulatory percentage may indicate a candidate by filing the documentation indicated in clause 8 of this article within the terms indicated by the laws and regulations in force from time to time.

If a co-opted Director or a Director replacing him/her was taken from the minority list, the Shareholder representing the majority of the share capital present at the Meeting and any other Shareholders in any way connected, even indirectly, with such Shareholder are barred from voting.

The foregoing provisions of this article are applicable *mutatis mutandis*.

After the vote, the candidate obtaining most votes shall be elected.

Should the majority of the Directors cease to hold office, the entire Board of Directors shall be considered to have resigned and the Shareholders' Meeting shall be promptly called by the Board of Directors to appoint a new Board of Directors".

5 Article 20 of the Bylaws (*Board of Statutory Auditors*) provides as follows:

"The Board of Statutory Auditors consists of 3 (three) standing Auditors and 2 (two) substitute Auditors, who may be re-elected.

The minority has the right to elect one standing Auditor and one substitute Auditor.

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

Pursuant to article 2404 of the Italian Civil Code, the meetings of the Board of Statutory Auditors may be held through telecommunication, provided that each participant can identify all the other participants and that the participants are allowed to follow the discussion and to intervene in real time in the examination of items and to view, receive or transmit documentation and that the simultaneity of examination and resolution is guaranteed.

Such conditions being fulfilled, the meeting shall be deemed to be held in the place where the Chairman of the Board of Statutory Auditors is present.

Persons holding office as directors or statutory auditors in any number of other companies higher than the limit set or who do not possess the legal and regulatory requisites of integrity and professionalism may not be appointed as standing Auditors and shall be disqualified if elected.

The Board of Statutory Auditors is elected by the Shareholders' Meeting – which also establishes the criteria for its remuneration – on the basis of lists presented by the Shareholders, in accordance with the laws and regulations in force from time to time, including those regarding gender balance, in which the number of candidates is not higher than the number of members to be elected. Candidates are listed progressively. The list consists of two sections, one showing the candidates for the office of standing Auditor, the other showing the candidates for the office of substitute Auditor.

A Shareholder may only present or participate in the presentation of one list. A candidate may only run for one list, under penalty of ineligibility. Lists may be presented by Shareholders who, alone or together with others, represent at least 1.5% of the share capital or any other lower legal or regulatory percentage.

The declarations in which the individual candidates accept their candidacy and declare, under their own responsibility, that no causes of ineligibility or incompatibility exist and that the conditions required by law and by the by-laws for the respective positions exist, must be filed together with each list within terms indicated above. Lists that do not meet the above conditions are deemed to be not presented. Such declarations shall be accompanied by a CV, for each candidate, providing personal and professional details.

Lists presenting a total of three or more candidates must include candidates of both sexes in such a way that the less represented gender in a list accounts for at least one fifth of the candidates for the office of standing auditor (at the first mandate after 12 August 2012) and then one third (rounded up, in any case) and at least one fifth of the candidates for the office of substitute auditor (at the first mandate after 12 August 2012) and then one third (rounded up, in any case).

The election of the Auditors takes place as follows:

a) 2 (two) standing auditors and 1 (one) substitute auditor are elected from the list that obtains the highest number of votes at the Shareholders' Meeting, based on the progressive order in which they are listed in the sections of the list;

Auditors, respectively, reflect all the principles established by Law No. 120/2011.

On the occasion of the renewal in 2017, Autogrill Shareholders' Meeting appointed five female members of the Board of Directors, who account for one third of the total, in compliance with the provisions of Law No. 120/2011: Franca Bertagnin Benetton, Cristina De Benetti, Maria Pierdicchi, Elisabetta Ripa and Catherine Gérardin Vautrin. Moreover, both genders are also represented in the boards of directors of the Italian subsidiaries Autogrill Europe and Autogrill Italia.

The composition of the Board of Statutory Auditors in office also complies with the provisions of the aforementioned Law No. 120/2011.

It should also be noted that:

- ✓ the Board of Directors annually performs a board review, which - in compliance with the provisions of the Self-regulatory Code⁶ – also deals, among other things, with the size, composition and functioning of the current Board of Directors and its Committees, also taking into account the professional characteristics, experience - including managerial experience - and gender of its members, as well as their seniority in office; and
- ✓ the board evaluation carried out during the Year and referring to the year ended 31 December 2016 was also aimed, in addition to the final evaluation of the functioning of the Board

b) the remaining standing auditor and the other substitute auditor are elected from the list that obtains the second highest number of votes at the Shareholders' Meeting and that is not in any way, even indirectly, connected with the Shareholders who presented the list that had most votes, on the basis of the progressive order in which they are listed in the sections of the list. Should two or more minority lists obtain the same number of votes, the oldest candidate shall be elected as standing or substitute auditor;

c) if a single list is presented, the Board of Statutory Auditors is elected entirely from that list.

If the procedures indicated above fail to ensure a Board of Statutory Auditors with a gender balance of standing auditors in accordance with current law, the necessary replacements shall be made from amongst the candidates for the office of standing auditor of the list that obtained most votes, or from a sole list, in the progressive order in which the candidates are listed.

The chairperson of the Board of Statutory Auditors is appointed by the Shareholders' Meeting, in compliance with current law.

If an Auditor's legal and statutory requisites cease to exist, the Auditor ceases to hold office.

In the event of replacement, the outgoing Auditor is replaced by the substitute on the same list, also in case of the chairperson.

The replacement procedures in the foregoing paragraphs must in any case ensure compliance with current laws on gender balance.

The above provisions regarding the election of Auditors do not apply at Shareholders' Meetings that are required by law to appoint standing and/or substitute Auditors and a Chairperson to make up the Board of Statutory Auditors as a result of substitution or disqualification. In these cases, resolutions are carried by simple majority without prejudice to the principle set out in paragraph 2 of this article and in compliance with current laws on gender balance".

⁶ See application criterion 1.C.1.g) of the Self-Regulatory Code.

of Directors, at gathering any considerations on the size and composition of the corporate body, in order to provide useful elements to support the choice of candidates for the office of Director proposed to the Shareholders' Meeting for the three-year period 2017-2019.

Autogrill has not yet adopted a specific diversity policy pursuant to article 123-bis, paragraph 2, letter d-bis of TUF, since the processes for the formation of the Company's administrative and control bodies already take into account important aspects, such as age, gender composition and the training and professional path of its members.

Limits to the Number of Management and Control Positions held in other Companies

Limits to the Number of Positions of Executive and Non-Executive Directors

The Board of Directors adopted the policy described below regarding the maximum number of administration and control positions that Autogrill's directors may hold simultaneously in other companies⁷, as proposed by the Internal Control and Corporate Governance Committee (now called Control, Risk and Corporate Governance Committee). In particular:

- a) an executive director of the Company must not hold the office of:
 - i) executive director in another listed company or a finance company, bank or insurance company, or any company with shareholders' equity in excess of €10 billion and
 - ii) non-executive director or statutory auditor (or member of a supervisory board) in more than three of the companies referred to in (i) above;
- b) a non-executive director of the Company, in addition to the office held in the Company, must not hold the office of:
 - (i) executive director in more than one of the companies in (a)(i) above and non-executive director or statutory auditor (or member of a supervisory board) in more than three of the companies above mentioned, or
 - (ii) non-executive director or statutory auditor in more than six of the above companies.

⁷ Resolution of the Board of Directors taken on 12 December 2007 and later confirmed by the Board's resolution dated 8 March 2018, having regard to the favourable opinion of the Control, Risk and Corporate Governance Committee in compliance with the application criterion 1.C.3. of the Self-Regulatory Code.

These limits shall not include offices held in other companies belonging to the group headed by Edizione S.r.l.

During its meeting on 8 March 2018, the Board of Directors verified the compliance of each director in office with the limits to the number of positions set out above.

*Notification
Requirement*

In any case, before taking up the office of director or statutory auditor (or member of a supervisory board) in another company which is neither an associate nor a direct or indirect subsidiary of Autogrill, the Executive Director shall inform the Board of Directors, which shall preclude taking up the office where it notes incompatibility with the Executive Director's functions and the interests of Autogrill.

In the light of the "comply or explain"⁸ principle, we point out in this connection that:

- (a) with regard to the recommendation contained in the application criterion 1.C.3. of the Self-Regulatory Code⁹, the aforementioned advice of the Board of Directors does not expressly require that, in order to determine the number of administration and control offices, the participation of directors in the Board's committees should be taken into account;
- (b) the Board of Directors has repeatedly discussed and evaluated the opportunity of taking into account the participation in the Board's committees as an explicit limit on the number of offices; said opportunity was, however, excluded based on the fact that the only inspiring principle of any consideration on the matter should be the concrete adequacy of the time available for each Board Member – also taking into account the commitment connected to his/her work and professional activities, as well as the number of offices as director and auditor held in other companies listed in regulated markets (including abroad), or in investment, banking, insurance or significant-size entities - to effectively carry out his/her tasks, a criterion that should be considered by the Shareholders when selecting the candidates to be included in the list for the appointment of Board Members and, most of all, by each of the candidates for said office;

⁸ A principle ratified by paragraph IV of the "Guiding Principles and Transitional Arrangements" section of the Self-Regulatory Code. See paragraph 3 above of this Report and related footnote.

⁹ See the application criterion 1.C.3. of the Self-Regulatory Code.

- (c) the decision to depart, albeit minimally, from the application criterion prescribed by the Code was finally taken by the Board of Directors, having regard to the opinion of the Control, Risks and Corporate Governance Committee, through a resolution adopted unanimously by the Directors attending the Meeting on 8 March 2018;
- (d) the advice of the Board of Directors will be periodically subject to discussion and evaluation in order to take into account not only the concrete needs of the Company, but also the indications that will gradually emerge, *inter alia*, the annual report on the enforcement of the Self-Regulatory Code, issued by the Corporate Governance Committee, and annually published by Borsa Italiana and, more generally, any change in the practice of Italian listed companies in the matter;
- (e) although the Board of Directors has decided, for the reasons set forth above, not to adopt an explicit rule in this regard, the participation in the Board's committees was, however, in practice taken into account by each of the Directors currently in office so as to confirm the adequacy of the time available for each Board Member to effectively carry out his/her tasks.

*Other Offices held
by the Directors*

This Report contains the attached Table 2 showing the number of offices held by each Director in other companies listed in regulated markets (including abroad), in investment, banking, insurance or significant-size entities, with indication of the company name and position held.

Induction Programme

After the settlement of the current Board of Directors, an induction activity was initiated to the benefit of Directors.

In particular, this activity was carried out as specified below:

on 31 May 2017, an information note summarizing the key elements of the regulatory framework applicable to listed companies in Italy was sent to all the Directors;

- ✓ on 5 June 2017, one day of classroom refresher course was held at the Company's offices. During that course, the Chief Executive Officer and Group's CEO Mr. Gianmario Tondato Da Ruos, the Chief Executive Officer of the business unit Europe

- and some other senior executives of the Company and the Group provided the Directors and Auditors with a detailed description of the Group and detailed information on the business sector in which the Group operates (also by visiting the internal research and development laboratory), the principles of correct risk management and the business trends and their evolution, with particular reference to the main management, organisational, strategic and governance aspects;
- ✓ on 14 July 2017, a meeting was held at the law firm advising the Related Party Transaction Committee to update the newly appointed members of the RPT Committee and the Statutory Auditors on the regulatory framework for the transactions with related parties and the related procedures and policies adopted by the Group;
 - ✓ on 6 September 2017, a meeting was held to provide the members of the Human Resources Committee and other Directors with an interest in the subject with adequate knowledge of the long-term incentive plans in place for the Group management; and
 - ✓ on 9 November 2017, after a meeting of the Board of Directors, the Directors and Statutory Auditors were presented with a plan to align the disclosure of the non-financial information and information on diversity required by Legislative Decree No. 254/2016 assimilating EU Directive 2014/95.

The presentations illustrated during the above meetings and the related supporting documents were made available to the members of the Board of Directors and the Board of Statutory Auditors in a special section of the Company intranet with reserved access.

It should also be noted that the induction activity is expressly provided for by art. 5 (g) of the Autogrill Code, which – in compliance with the instructions given in the application criterion 2.C.2. of the Self-Regulatory Code – states that the promotion of the participation, in the most appropriate forms, of Directors and Auditors in activities aimed at providing them with a greater understanding of the sector in which the Company operates, the principles of proper risk management, the regulatory and self-regulatory reference framework and business trends, is expressly entrusted to the Chairperson.

4.3. Role of the Board of Directors

Frequency of
Board of
Directors'
Meetings

Autogrill's Board of Directors is regularly called. During the Year, it met 10 times and 10 meetings are expected for 2018 (3 of which have already been held as of the date of this Report).

The average duration of the meetings of Autogrill's Board of Directors is approximately 2 hours and 25 minutes.

Also considering the regular recurrence of its meetings, the Board of Directors is capable of efficiently and promptly performing its tasks and its composition is such that the priority of the corporate interest can be ensured in the performance of its functions.

Pre-Board
Meeting
Information
Package

The promptness and completeness of the Pre-Board Meeting Information Package are ensured by the competent managers of the Company, who take care of all the necessary documents for the discussion of the points listed in the Agenda.

Transmission of these documents to the Board Members is under the direct control of the Secretary of the Board of Directors (a position confirmed by the Board of Directors to the Group General Counsel, Ms. Paola Bottero, on 25 May 2017), who takes care to prepare it reasonably in advance before the meeting date, also considering any possible confidentiality and urgency requirement in connection with certain subjects.

In this connection, Autogrill Code¹⁰ requires that the material regarding each Board meeting be normally transmitted to the Directors at least three days before the meeting date.

The Pre-Board Meeting Information Package has been facilitated by the creation by Autogrill of a specific section in the corporate Intranet to be strictly accessed only by the Board Members and Statutory Auditors. The remote document sharing system allows, *inter alia*, for the regulation of access functions in connection with the privacy requirements of the information made available (read-only or printable formats - with watermarks identifying the origin and confidentiality of the document – downloadable format). So now Board Members and Statutory Auditors can connect to the database from wherever they are and view the documents of any meeting held in real time or consult the documents regarding all past meetings held over the duration of the respective mandate.

¹⁰ See section 4.4 of the Autogrill Code, which is in line with the application criterion 1.C.5. of the Self-Regulatory Code.

With respect to the Board meetings held in 2017, the term of three days set by the Autogrill Code was generally complied with and, in the cases when it was not possible to send part of the materials required for a meeting within the defined due date, the time to obtain the necessary, accurate and timely information was granted during the Board meetings¹¹. In this respect, it should be noted that Autogrill Code¹² states that the Chairperson has not only the duty to ascertain that, within the term mentioned above, Board Members are sent the most appropriate documents regarding the items on the Agenda so as to enable effective participation of the Directors in the works of the Board, but also to ensure that adequate investigations are carried out during Board sessions if, in specific cases, the aforementioned Pre-Board Meeting Information Package cannot be provided.

During the Year, the cases, in which, for confidentiality and urgency reasons, the information on some issues was given at the Board meeting were very rare and account for a percentage of about 5%. In all such cases, the Chairperson ensured that adequate and timely in-depth reviews were carried out during the Board meetings.

*Participation of
Directors in Board
Meetings*

In line with the application criterion 1.C.6. of the Self-Regulatory Code, the directors of the Company and the Group having specific competencies and responsibilities on each individual issue examined by the Board¹³ are invited to attend all the meetings of the Board of Directors in connection with the subjects dealt with from time to time.

During the meetings, the Managing Director and the Executives of the Company and of the Group usually give their presentations first and the Chairperson encourages their discussion with all the Board Members.

The habitual participants in Board meetings are: the Group Chief Financial Officer, the Group General Counsel, and the Group Corporate & Regulatory Affairs Director. The Group HR & Organization Director, the Head of Group Enterprise Risk Management, the Group Chief

¹¹ In this connection, see the remark on the application criterion 1.C.5. of the Self-Regulatory Code.

¹² See art. 5 of the Autogrill Code.

¹³ In this regard, see the application criterion 1.C.6. of the Self-Regulatory Code and the consistent section 4.6 of the Autogrill Code. Furthermore, the comment to art. 1 of the Self-Regulatory Code reads: *"In order to enhance Board meetings as a typical occasion, in which directors (and especially non-executive directors) can obtain adequate information about the management of the Company, the Chief Executive Officers ensure that the competent executives in charge of the relevant corporate functions in relation to the items on the agenda are ready to take part, where requested, in these meetings"*.

Internal Audit & CSR are also invited to attend the meetings, when the topics of their respective competence are dealt with.

*Exclusive
Competence of
the Board of
Directors*

In addition to those that may not be delegated by law or Bylaws, the subjects that are under the exclusive competence of the Board of Directors are expressly listed in the Autogrill Code¹⁴, pursuant to which the Board of Directors:

- a) prepares and adopts the Company's corporate governance rules and defines the guidelines of the Group's corporate governance;
- b) appoints the Supervisory Body pursuant to L.D. 231/2001 and approves the organization, management and control model described therein (the "**Model**" or "**Model No. 231**");
- c) approves the Company's and Group's strategic, industrial and financial plans, including those that span over several years, as well as any change made thereto to allow for transactions of strategic significance that had not been originally included in those plans, and periodically monitors their implementation;
- d) implements, as regards transactions with related parties, which remain under its exclusive competence, the provisions issued on this subject by CONSOB, as transposed into internal procedural rules of the Company and Group;
- e) defines the nature and level of the risk compatible with the Company's strategic objectives, including in its assessments all the risks that may be relevant to sustainability over the medium to long term of the Company's activities¹⁵ and, in the presence of relevant circumstances, the Board acquires the necessary information and takes all appropriate measures to protect the Company and the information disclosed to the market¹⁶;
- f) approves the budget and the annual financial strategy of the Company and the consolidated budget of the Group;
- g) approves the operations of the Company and Group having a strategic, economic, equity or financial significance (and that are

¹⁴ See section 1.3 of the Autogrill Code, which is in line with principle 1.P.2. and application criterion 1.C.1. of the Self-Regulatory Code.

¹⁵ See the application criterion 1.C.1.b) of the Self-Regulatory Code.

¹⁶ The comment to art. 1 of the Self-Regulatory Code reads: "*The Committee stresses the fundamental role of the Board of Directors in assessing the actual operation of the system for the internal control and management of the risks that may be relevant to sustainability over the medium to long term of the issuer's activity. In the presence of relevant circumstances, the Board of Directors acquires the necessary information and takes all appropriate measures to protect the company and the information disclosed to the market*".

identified as operations, whose value is higher than the limits of the powers conferred on the Chief Executive Officer);

- h) establishment of companies with a shareholders' equity not exceeding Euro 10,000,000 and subscription of capital increases in subsidiaries for amounts not exceeding Euro 10,000,000 per transaction;
- i) examines, evaluates and approves, in compliance with the corporate Bylaws, the legislation and the Autogrill Code, the periodic accounting records and the disclosures required by the applicable legislation, to be submitted to the Board of Statutory Auditors, also in compliance with the procedure adopted pursuant to art. 7 of the Autogrill Code;
- j) attributes, determines the content of, and revokes powers of attorney granted to the President, the CEO, the Executive Committee (if existing), and any Directors with special proxies, appoints the members of the Human Resources Committee and the Control, Risk and Corporate Governance Committee and the members of any other committee that may be established within the Board of Directors (collectively, the "**Committees**"), by defining the limits, operating modes and periodicity (at least once every three months) with which the company officers must report to the Board about the activities carried out in the exercise of their powers;
- k) determines, after examining the proposals of the HR Committee and consulting with the Board of Statutory Auditors, as legally required, the remuneration of the President, CEO and, if appointed, Directors with particular roles and, if the Meeting has not yet done so, apportions the global fees into the portions for each individual member of the Board of Directors, as well as for the members of the Committees formed under the Autogrill Code and for the members of any other existing Committee;
- l) evaluates the adequacy of the organizational, administrative and accounting layout of the Company and the Group; examines and evaluates the general business trends of the Company and the Group, by periodically comparing the results achieved against those expected; examines and evaluates any situation of conflict of interests; all these evaluations being based on the information received from the company officers, from the Company's and the Group's management and from the internal control function, keeping into consideration, in particular, the information

received from the President, CEO, Control and Risk Management System Director, and Control, Risk and Corporate Governance Committee;

- m) upon the CEO's proposal, establishes the composition of the governing bodies of the Subsidiaries identified by the Board of Directors from time to time as Subsidiaries of strategic importance;
- n) upon the CEO's proposal, determines the assignments and powers of the General Manager of the Company, if appointed;
- o) without prejudice to the competencies of the Shareholders' Meeting, takes care, after consulting with the HR Committee, to adopt and implement monetary or share incentive plans in the favour of the employees of the Company and defines the contents and criteria of the monetary or share incentive plans in the favour of the employees of the Subsidiaries, and approves, after consulting with the HR Committee, the annual remuneration report;
- p) takes care to ensure that the Board of Statutory Auditors information procedure defined in art. 150 of TUF is complied with;
- q) reports, as required by the applicable legislation and regulations, to the Shareholders during the Meetings;
- r) appoints the Chief Internal Audit Executive;
- s) approves, after consulting with the Control, Risk and Corporate Governance Committee, the annual report on corporate governance and ownership structure defined in art. 123-bis of TUF.

*Exclusive
Competence of
the Board of
Directors: Control
and Risk
Management
System*

Furthermore, as regards the Control and Risk Management System, the Board of Directors:

- (a) after obtaining the favourable opinion of the Control, Risk and Corporate Governance Committee, (i) defines the guidelines of the Control and Risk System, evaluates its adequacy and effectiveness against the characteristics of the company and the risk profile adopted at least on an annual basis, and entrusts the Control and Risk Management System Director with the task of setting up and maintaining an effective Control and Risk System; (ii) approves, upon the Chairperson's proposal, at least on an annual basis, the work plan prepared by the Chief

Internal Audit Executive, after consulting with the Board of Statutory Auditors and CEO; (iii) evaluates, after consulting with the Board of Statutory Auditors, the results shown by the Independent Auditors in its letter of suggestions and report on main issues that have arisen during legal auditing; and

- (b) upon the Chairperson's and Control and Risk Management System Director's proposal and after obtaining the favourable opinion of the Control, Risk and Corporate Governance Committee and consulting with the Board of Statutory Auditors: (i) appoints and revokes the Chief Internal Audit Executive; (ii) ensures that the Chief Internal Audit Executive is provided with the adequate resources to perform his/her tasks; and (iii) defines the remuneration of the Chief Internal Audit Executive consistently with corporate policies and in compliance with the applicable legislation¹⁷.

Assessment of the Adequacy and Effectiveness of the Control and Risk System

During the meeting of 8 March 2018, based on the information and evidence collected with the support of the investigative work carried out by the Control, Risk and Corporate Governance Committee, and further based on the assumptions and assessments of the Control and Risk Management System Director, the person in charge of Internal Audit, the Financial Reporting Manager and the Enterprise Risk Manager, the Board of Directors ascertained that there are no problems such as to affect the overall adequacy and effectiveness of the Control and Risk System considering the structure of the Company and Group and the peculiarity of the activities carried out by the Group. The Board of Directors underlines that the Control and Risk System is constantly improved through monitoring and systematic planning of improvement initiatives.

It should be noted that, during the same meeting held on 8 March 2018, the Board of Directors, upon the proposal of the Control and Risk Management System Director and with the favourable opinion of the Control, Risk and Corporate Governance Committee, after consulting the Board of Statutory Auditors, appointed Ms. Elisabetta Cugnasca as head of the internal audit function.

We also point out that, on 26 January 2018, the Board of Directors reviewed the results of a risk profile analysis concerning the risks faced by the Company and the Group, conducted on the financial projections of Autogrill Group for the years 2018 – 2020 and, acknowledging the risk mitigation actions identified by the Group's

¹⁷ In this respect, see section 11.3 of the Autogrill Code.

*Assessment of
General Business
Trends*

management, the Board resolved to assess the risk profile that is compatible with the Company's and Autogrill Group's management, in line with the corporate objectives and financial projections illustrated in the same meeting. The risk profile is updated every three months.

Finally, the Board has periodically assessed general business trends by taking into consideration the information received from the company officers and making periodic comparisons between expected and achieved results. In particular, the Board of Directors¹⁸:

- periodically monitored the implementation of the industrial and financial plans of the Company drafted from time to time;
- adopted policies and procedures as risk management methods for the typical risks of the business activity;
- examined and made decisions on the significant transactions of the Subsidiaries, even with the mere purpose of acknowledging the same.

*Assessment of the
Adequacy of the
Organizational,
Administrative and
Accounting
Structure of the
Issuer and of the
Subsidiaries of
Strategic
Importance*

At the meetings held on a monthly basis during the Year, the Board of Directors and the Control, Risk and Corporate Governance Committee assessed the adequacy of the organizational, administrative and accounting structure of the issuer and of the subsidiary of strategic importance (HMSHost Corporation) with reference to the internal control and risk management system.

*Emoluments of
Executives*

As regards Directors' Fees, we point out that the global remuneration amount for the members of the Board of Directors was established during the Shareholders' Meeting on the date of their appointment, 25 May 2017.

On the same day, in the meeting following its appointment, the Board of Directors apportioned the overall amount of Directors' emoluments fixed by the Shareholders' Meeting among the Board's committees and their respective members. On 29 June 2017, upon the proposal of the Human Resources Committee and having heard the opinion of the Board of Statutory Auditors, it also fixed the emoluments for the special executive functions assigned to the CEO.

*Periodic Board
Self-Evaluation
Programme*

In January and February 2018, the Board of Directors carried out the periodic Board self-evaluation for the Business Year, regarding - in line with the provisions of the Self-Regulatory Code¹⁹ the size, composition and operation of the Board of Directors and its Committees, also

¹⁸ In line with the requirements of application criterion 1.C.1. of the Self-Regulatory Code.

¹⁹ See the application criterion 1.C.1.g) of the Self-Regulatory Code.

taking into account the professional characteristics, experience, including managerial experience, and gender of its members, as well as their seniority in office.

The board review was conducted through direct interviews to the Chairperson of the Board of Directors, individual directors and the chairperson of the Board of Statutory Auditors made by the Lead Independent Director, Mr. Massimo Di Fasanella D'Amore Di Ruffano, with the assistance of the Secretariat of the Board of Directors.

The results of the interviews were reported in a summary document, which was first made available to the Directors, and then illustrated and discussed during the Board meeting on 8 February 2018.

It should also be noted that the previous periodic board evaluation activity - carried out during the Year and referring to the year ended 31 December 2016 - was also aimed, in addition to the final evaluation of the functioning of the Board of Directors then in office, at gathering any considerations on the size and composition of the corporate body, in order to provide useful elements to support the choice of candidates for the office of Director proposed at the Shareholders' Meeting for the three-year period 2017-2019.

*Results of the
Board Evaluation*

The opinion expressed by the Directors was very positive, in general terms, albeit with some suggestions, confirming the evidence of previous self-evaluation experiences.

The structure and composition of the Board of Directors were deemed to be more than adequate for the current and future needs of the Company. In particular, the represented mix (in terms of professionalism, background and gender) was very positively evaluated.

As regards the functioning of the Board of Directors as a whole, the Directors consider that it is well structured, with adequate planning, frequency of meetings and methods of participation.

The Directors found an excellent level of compliance with regard to the contribution of the Board of Directors to the definition of industrial plans and management performance monitoring, and the adequacy of the Risk Control System. The Directors also expressed their appreciation for the Control, Risk and compliance System in relation to the quality of independence assessments and they expressed the hope that two annual meetings of the Independent Directors will also be held in the future.

The Directors involved in Board Committees expressed their good satisfaction with the functioning and effectiveness of the Committees' activities and with the quality of the Committees' preparatory work.

Finally, it should be noted that the Directors invited the chairpersons of each Committee to consider the advisability of coordinating the work of their respective Committees when matters falling within the competence of more than one Committee are discussed.

*Derogations to
the Prohibition of
Competition*

We point out that the Shareholders' Meeting did not grant any general prior authorization for exceptions or waivers in respect of the prohibition of competition by Directors pursuant to art. 2390, civ. code. To date, however, none of the situations contemplated in said provision have occurred.

4.4. Company Officers

CEO or Managing Director

*Functions and
Powers of the Chief
Executive Officer*

The Board of Directors is a unitary body in which the delegated management powers entrusted to the CEO are balanced by the technical and professional expertise of non-executive and independent directors in order to promote ongoing and positive discussion within the Board of Directors leading to decisions in line with the interests of the Company.

In line with a resolution taken by Autogrill's Board of Directors in their meeting on 25 May 2017, the CEO has general management powers to be exercised within the framework of (i) business plans and budgets, (ii) limitations of scope and values applying to the matters reserved to the Board of Directors pursuant to laws, Bylaws and the Autogrill Code, (iii) laws and regulations and the Company's Code of Ethics and procedures, and (iv) all decisions and policies of the Board.

*Limits to the
Powers granted*

Some of the powers of the Chief Executive Officer – who also acts as Group's CEO and General Manager – must be exercised within the specific limits listed below:

- (a) entering into, with all appropriate clauses, amending and terminating purchase and sale contracts (including those with title retention clauses) and trade-in of machinery, plant, equipment, materials and motor vehicles within a value limit of €10,000,000 per single contract;

- (b) entering into, with all appropriate clauses, amending and terminating consultancy, intellectual and professional services contracts in general: up to €2,000,000 per single contract and, in the event of a task entrusted to an individual person and/or single-member company, for an amount not exceeding €1,000,000 per single fixed-term contract;
- (c) entering into, with all appropriate clauses, amending and terminating leases and subleases of buildings and similar units of property, leasing or subleasing of businesses, provided that the minimum annual rent does not exceed €5,000,000;
- (d) entering into, with all appropriate clauses, amending and terminating acquisitions and/or disposals of businesses or business units: up to €10,000,000, gross of all charges and liabilities, per single contract;
- (e) purchase, sale or underwriting of shares, equity interests or consortium shares: amounts not in excess of €10,000,000 per transaction;
- (f) purchase and sale (spot and forward) and pledging of Government securities and Government-backed securities of any kind, and purchase and sale of debt instruments of supranational issuers, with full powers: up to €10,000,000 per transaction;
- (g) stipulation, with appropriate clauses, amendment and termination of purchase and sale contracts for buildings, land and other property assets: up to €10,000,000 per single contract;
- (h) stipulation, also in the interest of Subsidiaries, with appropriate clauses, amendment and termination of agreements to open credit lines and credit facilities in general, financing or credit mandates: up to €20,000,000 per single contract;
- (i) entering into, with all appropriate clauses, amending and terminating loan agreements: up to €20,000,000 per single transaction;
- (j) entering into, with all appropriate clauses, amending and terminating infra-group loan contracts of any kind: with no amount limits in case of wholly-owned subsidiaries and up to €10,000,000 per single transaction in case of subsidiaries; Group treasury cash pooling contracts and infra-group current account contracts: with no amount limits;

- (k) entering into, with all appropriate clauses, amending and terminating current and deposit account contracts with banks and post offices, including cash pooling contracts: with no amount limits in the interest of wholly-owned subsidiaries and within a maximum daily pooling availability of €10,000,000 in the interest of subsidiary companies;
- (l) applications - including in the interest of subsidiaries – for bank or insurance guarantees, letters of guarantee and undertakings in general, issuance of letters of surety, letters of indemnity, endorsements or letters of patronage: up to €20,000,000 per single transaction;
- (m) underwriting of counter security and indemnity letters: up to €20,000,000 per single deed against guarantees issued by banks in favour of third parties and in the interest of the Company;
- (n) initiation and abandonment of legal action; settlement of litigation in or out-of-court; appointment and revocation of counsel, attorneys and consultants; appointment of arbitrators, also under amiable composition: up to €5,000,000 per single dispute.

Transactions exceeding the aforementioned limits are reserved to the competence of the Board of Directors.

Being the only Board Member with powers of attorney, the CEO can be qualified as the main person in charge of the management of the company.

On 25 May 2017, the Board of Directors confirmed to the Chief Executive Officer the office of Director responsible for the Control and Risk System (see section 11.1 of this Report).

*No Interlocking
Directorate*

We point out (as already pointed out in section 4.2 of this Report) that there is no interlocking directorate²⁰ situation.

Chairperson of the Board of Directors

*Functions and
Powers of the
Chairperson*

The Chairperson is vested with legal powers and with the powers specified in the Company's Bylaws, has no executive powers and is responsible for the operation of the Board of Directors, coordination of its activities and provision of information to the Directors.

²⁰ See application criterion 2.C.5. of the Self-Regulatory Code.

The Chairperson may propose initiatives that he considers appropriate for increasing the Directors' knowledge of the Company and its operations.

The Chairperson may – with the consent of the other Directors – invite senior managers of the Company or of Subsidiaries, or consultants, to attend meetings of the Board to describe certain specific transactions or technical and operational matters concerning the Company and the Group.

Pursuant to Autogrill Code²¹, the Chairperson of the BoD shall:

- (a) take care that the Board Members receive, usually at least three days before the date fixed for each Board Meeting, the most appropriate documentation concerning the points on the Agenda to allow for an effective participation of the Directors of the Company in the meeting;
- (b) if, in specific cases, it is not possible to provide the documentation as per point (a) above, ensure that adequate and timely investigations are carried out during Board sessions;
- (c) procure that the adequate information flow between the BoD and the other governing bodies of Autogrill is ensured;
- (d) follow, consistently with the programmes approved by the competent boards, the general initiatives for the promotion of the image of the Company;
- (e) represent the Company, in compliance with the resolutions made by the competent boards, in the ordinary and extraordinary meetings of the companies or entities where to the Company is a party, with power to appoint the Company's employees or third parties as special proxies for the exercise of said powers;
- (f) manage the relationships of the Company with national, foreign and supranational authorities, bodies and agencies;
- (g) promote the participation of Directors and Auditors in initiatives aimed at providing them with a greater understanding of the sector in which the Company operates, the regulatory and self-regulatory reference framework and business trends.

²¹ See art. 5 of the Autogrill Code.

Information Reports for the Board

The Board constantly monitors general management performance, with a special focus on the information it receives from the CEO, and periodically checks actual against programmed results.

In particular, at each meeting of the Board of Directors and at least every quarter:

- the CEO or the other Directors with special powers report to the Board and to the statutory auditors on the exercise of their powers;
- the CEO reports on general trends and outlook in the business, on related party transactions and transactions of greater importance carried out by the Company and its Subsidiaries.

Except as stated above with reference to the attendance of the executives at the meetings of the Board of Directors, during the Year, to provide Directors with deeper insights into the operating mechanisms and facts concerning the Company, some managers of the Company and its Subsidiaries have been invited to attend the meetings of the Strategy and Investment Committee, the HR Committee, and the Control, Risk and Corporate Governance Committee.

The list of the executives that are entitled to attend the meetings of the Control, Risk and Corporate Governance Committee is envisaged by the Committee's regulations available on the Company's website (www.autogrill.com – Governance section).

4.5. Other Executive Directors

No Directors on Autogrill's Board of Directors, other than the CEO, may be considered executive.

4.6. Independent Directors

The Board of Directors, also based on the information received from the same Directors, has assessed – on an annual basis – whether each Board member met the independence requirements and exhaustively informed the market in this regard. The presence of a majority of Independent Directors in the Board of Directors and its Committees is

an appropriate way of safeguarding the interests of all Shareholders and stakeholders²².

Assessment of the Compliance of newly appointed Board Members with Independence Requirements

On 25 May 2017, upon the first available meeting after its appointment, the Board of Directors assessed and ascertained the existence of the independence requirements provided for by the Autogrill Code, as well as the independence requirements established by TUF²³ regarding seven out of the thirteen Board Members in office: Ernesto Albanese, Francesco Umile Chiappetta, Cristina De Benetti, Massimo Di Fasanella D'Amore Di Ruffano, Maria Pierdicchi, Elisabetta Ripa and Catherine Gérardin Vautrin, and. The Board of Directors informed the market of the results of its assessments through a statement released on the same date.

Yearly Assessment of the Compliance of Board Members with Independence Requirements

As provided for by the Self-Regulatory Code – that recommends verifying once a year the independence of Board members – on 8 March 2018, the Board of Directors has once again assessed and verified the compliance of the seven above-listed Board Members with the aforementioned independence requirements.

On 8 March 2018, the Board of Statutory Auditors verified the correct application of the assessment criteria and procedures adopted by the Board of Directors to evaluate the independence of its members²⁴.

Meetings of the Independent Directors

Independent Directors meet at least once a year in a plenary session chaired by the Lead Independent Director and in the absence of the other Directors to discuss the working of the Board of Directors and governance issues²⁵, holding an *ad hoc* meeting, separate from the meetings of the Committees, as recommended in the comment to art. 3 of the Self-Regulatory Code. During the Year, the Independent Directors held a plenary session on 26 January 2017 and 29 June 2017. During 2018, they met on 26 January 2018.

4.7. Lead Independent Director

Meeting on 19 June 2017, the Board of Directors appointed Board Member Mr. Massimo Di Fasanella D'Amore Di Ruffano as the Company's Lead Independent Director responsible for carrying out the

²² In this regard, see principle 3.P.2. of the Self-Regulatory Code. In application criterion 3.C.1, the Self-Regulatory Code indicates non-exhaustive parameters the Board may comply with in assessing the independence of its non-Executive Directors.

²³ See section 3.1(i) of the Autogrill Code and the combined provisions of articles 147-ter, paragraph 4, and 148, paragraph 3, of TUF.

²⁴ Pursuant to article 15.6 of the Autogrill Code (application criterion 3.C.5. of the Self-Regulatory Code).

²⁵ In line with the provisions of the application criterion 3.C.6. of the Self-Regulatory Code.

tasks provided for by the Self-Regulatory Code²⁶ and international best practices. In addition to acting as reference point and coordinating the requests and contributions of non-executive directors, and particularly independent directors, the Lead Independent Director cooperates with the Chairperson to ensure that directors actually receive complete and prompt information.

²⁶ See application criterion 2.C.4. of the Code.

5. PROCESSING OF CORPORATE INFORMATION

Privileged Information Procedure

Since 2006, the Board of Directors has adopted a Group procedure for disclosing privileged information to the market.

In this regard, we point out that, on 30 June 2016, in view of the entry into force on 3 July 2016 of the new European market abuse legislation contained in Regulation (EU) No. 596/2014 on market abuse and its implementing regulations ("**MAR**" or "**Market Abuse Regulation**"), a new procedure for the disclosure of privileged information to the market (the "**Privileged Information Procedure**") was adopted.

In particular, the Privileged Information Procedure was adopted in conformity with (i) Chapter 2 and Chapter 3 of MAR, (ii) Part IV, Title III, Chapter I of TUF, and (iii) Part III, Title II, Chapter I and Chapter II, Section I of the Issuers' Regulations.

The aim of the Privileged Information Procedure – that is available for consultation in the Company's website (www.autogrill.com - Governance section) – is to govern internal management and external communication of privileged information. According to art. 7, paragraph 1 of MAR, privileged information means any specific information that has not yet been disclosed to the public concerning Autogrill or one of its Subsidiaries, Autogrill stock or any other financial instruments issued by Autogrill or one of its Subsidiaries which, if made public, might materially affect the prices of these financial instruments or the prices of related financial derivative instruments.

In order to ensure equal information for all investors, the events and circumstances that qualify as privileged information - in accordance with applicable laws and regulations - are promptly disclosed by the Company to the market.

In line with current legislation²⁷, the Company set up a register containing the names of all individuals and information concerning legal entities, who on account of their occupational or professional activity or of the functions they perform for Autogrill or its

*Register of the
Persons that may
access Privileged
Information*

²⁷ See art. 18 of MAR and the (EU) Implementing Regulation No. 2016/347 of the Commission of 10 March 2016 laying down the "implementing technical standards with regard to the precise format of insider lists and for updating insider lists in accordance with Regulation (EU) No. 596/2014 of the European Parliament and of the Council".

Subsidiaries, have or may have access, regularly or occasionally, to privileged information.

The function in charge of the preparation and updating of this register is the Group's Corporate Affairs Department.

The Company also constantly applies the principles contained in the "Guide to Market Disclosure", which was presented by Borsa Italiana in 2002 and supplements existing provisions of law and regulations.

Internal Dealing Procedure

Already in 2006, the Board of Directors adopted an internal dealing procedure whereby relevant persons disclose to the market transactions involving shares and other financial instruments issued by the Company.

In this regard, we point out that, at the meeting of the Board of Directors on 30 June 2016, a new internal dealing procedure (the "**Internal Dealing Procedure**") was adopted in order to assimilate the regulatory innovations related to the entry into force of the new European market abuse legislation on 3 July 2016, as contained in MAR.

In particular, the Internal Dealing Procedure was adopted in conformity with (i) art. 19 of MAR, (ii) art. 114 of TUF, and (iii) articles 152-*sexies* - 152-*octies* of the Issuers' Regulations.

Relevant Persons

The current definition of relevant person, thus obliged to comply with the Internal Dealing Procedure, includes Directors and statutory auditors of Autogrill, subjects who exercise functions of direction and executives who have regular access to privileged information directly or indirectly concerning Autogrill and are authorized to make management decisions that can affect Autogrill's future development and prospects and all persons closely associated to such relevant persons, in accordance with applicable laws and regulations.

Relevant persons and their closely associated persons are prohibited from trading in the Company's shares or debt instruments, as well as in derivative instruments and other related financial instruments in the 30 days before the disclosure to the public of the period financial and economic data that the Company is required to disclose in accordance with applicable law.

The person in charge of receiving, managing and disclosing to the market the information required under the Internal Dealing Procedure is the Group's Corporate Affairs Director.

The Internal Dealing Procedure is available for consultation in the Company's website (www.autogrill.com - Governance section).

Procedures for the Internal Management and Public Disclosure of Documents and Information regarding the Company

As envisaged by the Self-Regulatory Code²⁸, the Autogrill Code requires the Chairperson, in agreement with the CEO, to propose the Board the adoption of procedures for the internal management and public disclosure of documents and information concerning the Company.

The Company believes that the current Privileged Information Procedure already contains specific provisions for the regulation of the matters under discussion.

²⁸ See application criterion 1.C.1.j) of the Code.

6. INTERNAL BOARD COMMITTEES

Committees contemplated by the Self-Regulatory Code

In compliance with the Self-Regulatory Code, the Board of Directors set up the following Committees:

- (i) a Human Resources Committee, to carry out, *inter alia*, the functions of the Remuneration Committee provided for in the Self-Regulatory Code;
- (ii) a Control, Risk and Corporate Governance Committee, to carry out the functions, *inter alia*, of the Control and Risk Committee specified in the Self-Regulatory Code.

Other Committees

In addition to the above, the Board of Directors also set up:

- (iii) a Related-Party Transaction Committee, pursuant to the Related-Party Transaction Regulations; and
- (iv) a Strategy and Investment Committee.

The Committees under (i), (ii) and (iii) above are dealt with in sections 8, 10 and 12, respectively, of this Report.

The Strategy and Investment Committee

The Strategy and Investment Committee was set up on a voluntary basis for the first time on 21 April 2011. Its current members are independent Directors Elisabetta Ripa, Massimo Di Fasanella D'Amore Di Ruffano, Catherine Gérardin Vautrin and non-Executive Directors Paolo Roverato and Marco Patuano (Committee chairperson).

Functions of the Strategy and Investment Committee

The Strategy and Investment Committee provides the CEO and Board of Directors with information and advice on Group strategy and investment policies and also on major transactions.

In particular, the Strategy and Investment Committee examines the CEO's proposals to be submitted to the Board of Directors concerning:

- business strategies;
- long-term plans and budgets for the Group and its strategically important operating companies, and major transactions, on which it expresses opinions and/or recommendations;
- annual budget and long-term investment plan and updates thereof and additions thereto;
- the Group's investment policies and updates thereof;

- specific investment projects of particular strategic and/or economic importance.

The Strategy and Investment Committee also monitors implementation of the business strategies and investment programmes approved by the Board of Directors. The Committee's meetings are also attended by the Group's Chief Financial Officer, while other Company and Group executives may be invited by the chairperson to be involved on specific subjects.

Budget

For 2018, the Strategy and Investment Committee will have an available budget of €30,000 for its operation, within the indicative limits of the amount allocated by the Board of Directors at its meeting of 19 December 2017.

Group's Procedure for Capital Expenditure

On 18 June 2015, the Board of Directors met to approve a new Group's procedure for capital expenditure ("Group Capital Expenditure Policy"), which became advisable because of the increasing centralization of functions and a strengthened presence of the Group in emerging Countries.

The Group Capital Expenditure Policy focuses on three key areas: (a) the management of the pipeline of opportunities, in compliance with strategic guidelines; (b) the evaluation of proposals throughout the entire life cycle of investments; and (c) the involvement of corporate functions in the control and monitoring of the proper implementation of the policy.

As last amended on 29 June 2017, the Group Capital Expenditure Policy regulates the approval mechanisms applicable to capital investment proposals.

Explanations concerning the Allocation of Functions among the Committees

Finally, referring to the recommendation contained in the Self-Regulatory Code²⁹, we point out that - except as described in paragraph 7 below of this Report with regard to the Appointment Committee - Autogrill governance does not contemplate any centralization of functions in a single committee or any allocation of the functions other than the distribution among the various committees envisaged in the Self-Regulatory Code.

It should be noted that, in compliance with the application criterion 4.C.1.d) of the Self-Regulatory Code, the meetings of each committee

²⁹ See the comment to article 4 of the Code, according to which, in the corporate governance report, the Board of Directors is required to explain the reasons, which have eventually led it not only to gather various functions in a single committee or to reserve said functions to the Board of Directors, but also to distribute otherwise the functions assigned to the different committees.

are verbalized and the chairperson of the committee properly informs the Board of Directors during the first available meeting.

7. APPOINTMENT COMMITTEE

*Explanations
required by the
"Comply or Explain"
Principle*

In the light of the "comply or explain" principle³⁰, we point out that:

- i. the Board of Directors has not so far deemed it appropriate to set up an Appointment Committee, as contemplated in art. 5 of the Self-Regulatory Code; no reference is actually made in this regard in the Autogrill Code, which expressly requires only the creation of the Human Resources Committee and of the Control, Risk and Corporate Governance Committee (in addition to any other Committee that could be required with the task of presenting proposals or giving advice – see art. 9 of the Autogrill Code);
- ii. said decision was made by the Board of Directors in consideration of the fact that:
 - (a) as expressly indicated even in the comment to art. 5 of the Self-Regulatory Code, the Appointment Committee, which was historically established in systems characterized by a high degree of shareholder dispersion in order to ensure an adequate level of independence of the Directors from the management, particularly as regards issuers with a broad shareholder base – and, therefore, not comparable with the present Autogrill shareholding layout – plays a particularly significant role in identifying candidates for the office of director;
 - (b) to further confirm and guarantee the independence of the Directors from the management, it must be noted that two members of the Board of Directors currently in office were appointed based on a minority list submitted by asset management companies and institutional investors and that seven of the thirteen Directors in office fulfil the independence requirements established by the combined provisions of art. 147-ter, paragraph 4, and art. 148, paragraph 3, of TUF, as well as paragraph 3.1 of the Autogrill Code, as better detailed in paragraph 4.6 above of this Report;
 - (c) the decision not to create an internal appointment committee has been confirmed by the Board of

³⁰ Principle ratified by paragraph IV of the "Guiding Principles and Transitional Arrangements" section of the Self-Regulatory Code. Please also refer to section 3 above of this Report.

Directors, upon the proposal of the Control, Risk and Corporate Governance Committee, with the unanimous vote of the Directors attending the meetings of 12 March 2015, 10 March 2016, 20 December 2016, 9 March 2017 and 8 March 2018;

- (d) said decision will be periodically evaluated and discussed again in order to take into account not only the concrete needs of the Company, but also the indications that will gradually emerge, *inter alia*, from the annual report on the enforcement of the Self-Regulatory Code, issued by the Corporate Governance Committee and annually published by Borsa Italiana and, more generally, any change in the practice of Italian listed companies in the matter;
- (e) as permitted by the application criterion 4.C.2. of the Self-Regulatory Code, the functions resting on the appointment committee are reserved to the entire Board of Directors, under the coordination of the Chairperson; in this regard, we remind readers that Autogrill governance is perfectly consistent with the instructions contained in the aforementioned application criterion, under which the reservation of jurisdiction to the entire Board of Directors is permitted if:
 - ✓ independent directors represent at least half the Board of Directors;
 - ✓ the Board dedicates specific spaces to the Committees' "investigation" activities during Board meetings; and
 - ✓ only concerning the Control and Risk Committee, the issuer is not controlled by another listed company, or subject to direction and coordination.

However, since, as specified in section 4.1 above of this Report, the Company did not deem it appropriate to adopt a succession plan for Executive Directors, the contribution to the preparation of any such plan is among the activities of the Appointment Committee that are not currently carried out by the Board of Directors.

Furthermore, since the Shareholders' Meeting did not authorize, in general or preventatively, exceptions to the no competition obligation

for Directors, established by art. 2390 of the Civil Code³¹, the Board was not and is not called to perform any evaluation, to be consequently reported during the first Meeting called, concerning any issue or problem for the purpose of that authorization.

Finally, we specify that no difficulties have so far been encountered by the Shareholders in preparing the lists for the appointment of the Board of Directors or by the Board in co-opting directors pursuant to art. 2386 of the Civil Code and art. 10 of the Bylaws.

³¹ See section 4.3 above of this Report.

8. HUMAN RESOURCES COMMITTEE

Composition and Operation of the Human Resources Committee

Main Functions of the Human Resources Committee

The Human Resources Committee carries out functions, which, pursuant to the Self-Regulatory Code, fall within the competence of the Remuneration Committee. In particular, it monitors the alignment between the top management remuneration system and the creation of value for the Company; it is also responsible for the organization and development of human resources and the definition of guidelines for the appointment of the members of corporate bodies in the major subsidiaries.

The operating rules of the HR Committee were last updated on 20 December 2016.

Composition of the Human Resources Committee

The HR Committee, appointed by the Board of Directors on 25 May 2017, consists of non-Executive, mostly independent³², Directors. The independent Director Ms. Maria Pierdicchi who chairs the Committee, the Director Mr. Massimo Di Fasanella D'Amore Di Ruffano (Lead Independent Director) and the non-Executive Director Mr. Paolo Roverato.

As also reflected in the *curricula vitae* shown in this Report, all the members of the HR Committee have the appropriate expertise in financial issues, as assessed and ascertained by the Board of Directors upon their appointment³³.

Participation in the Committee's Meetings

Provided that no Director takes part in the meetings during which proposals are submitted to the Board of Directors concerning his/her remuneration, the Chairperson and the Chief Executive Officer are normally invited to attend the meetings of the Human Resources Committee.

Furthermore, the meetings of the HR Committee are attended by the Group HR & Organization Director and, upon invitation from the chairperson of the HR Committee, the Company and Group Managers are involved when specific matters are discussed. The chairperson of the Board of Statutory Auditors is also invited to attend the meetings of the HR Committee, and he/she may delegate another Standing Auditor for the purpose.

³² In line with the recommendation set forth in principle 6.P.3. of the Self-Regulatory Code, whereby the HR Committee may be composed of a majority of independent directors provided that, as in this case, the chair of the aforesaid HR Committee is also chosen from among independent directors.

³³ See again, in this regard, principle 6.P.3. of the Self-Regulatory Code.

Functions of the Human Resources Committee

As anticipated, the functions of the Human Resources Committee include those of a "remuneration committee", as outlined in the Self-Regulatory Code, since it has investigation, consulting and proposition functions *vis-à-vis* the Board of Directors.

In particular, pursuant to the Autogrill Code³⁴, the HR Committee shall:

- (i) submit proposals to the Board of Directors for the definition of a general policy for the remuneration of the Chairperson, Executive Directors, Company Directors with special tasks, executives with strategic responsibilities, as well as the top management of the Company and the Group, including with the purpose of assisting the BoD in the preparation of the remuneration report to be submitted to the Meeting on an annual basis, and periodically assess the appropriateness, global consistency and actual implementation of the general remuneration policy approved by the Board;
- (ii) submit proposals to the BoD for the global remuneration of the Chairperson, CEO, Company Directors with special tasks, executives with strategic responsibilities (by using, for this purpose, the information provided by the CEO) and, upon the CEO's proposal, for the determination of the criteria for the remuneration of the top management of the Company and the Group, including the related performance objectives associated with the variable component of said remuneration;
- (iii) monitor the implementation of the decisions adopted by the Board and ensure, in particular, the actual achievement of performance objectives;
- (iv) review any monetary or share incentive plan for the Company's and Group's employees, the criteria for the composition of the governing bodies of the Subsidiaries of strategic importance and the strategic development policies of the human resources.

In the light of the "comply or explain"³⁵ principle, we point out that:

- (a) the Board of Directors did not deem it appropriate to entrust the HR Committee with the further task of submitting proposals

*Explanations
required by the
"Comply or Explain"
Principle*

³⁴ See paragraph 10.1(a) of the Autogrill Code.

³⁵ Principle ratified by paragraph IV of the "Guiding Principles and Transitional Arrangements" section of the Self-Regulatory Code. In this regard, see section 3 above of this Report and its footnotes.

regarding the remuneration of Directors in general (beyond Executive Directors, the Chairperson and the other Directors with special tasks)³⁶;

- (b) said decision was made in connection with the fact that the determination of general Directors' fees falls under the competence of the Shareholders' Meeting and that in the practice followed to date within the framework of the meetings resolving the appointment of Autogrill's Board of Directors each proposal in that regard was always submitted by one or more Shareholders;
- (c) the decision to partially diverge from the Self-Regulatory Code, which was taken through a Board resolution on 20 December 2012, has been confirmed by the Board of Directors, upon the proposal of the Control, Risk and Corporate Governance Committee, with the unanimous vote of the Directors attending the Meeting of 12 March 2015, 10 March 2016 and 20 December 2016; and
- (d) said decision will be periodically evaluated and discussed again in order to take into account not only the concrete needs of the Company, but also any indications that will gradually emerge, *inter alia*, from the annual report on the enforcement of the Self-Regulatory Code, issued by the Corporate Governance Committee and from the format for the corporate governance and ownership report annually published by Borsa Italiana and, more generally, any change in the practice of Italian listed companies in the matter.

The Related-Party Transaction (RPT) procedure adopted by the Board of Directors (see section 12 below of this Report) allows for the exemption of resolutions concerning the remuneration of Directors and other executives with strategic responsibilities from the application of the provisions of the Related-Party Transaction Regulations and from the RPT Procedure itself provided that (i) the Company has adopted a remuneration policy; (ii) a committee of exclusively non-Executive Directors of whom a majority are independent (Human Resources Committee) is involved in the definition of the remuneration policy; (iii) a report illustrating the remuneration policy has been submitted to the approval or consultative vote of the Shareholders' Meeting; (iv) the remuneration assigned is in line with such policy.

³⁶ As required by principle 6.P.4. of the Self-Regulatory Code.

<i>Access to Information and Business Functions</i>	<p>The HR Committee may access information and business functions in the course of its duties and also use external consultants, at the Company's expense and within the limits set by the Board, provided they make sure such consultants are not in situations that might compromise their independence of judgement.</p>
<i>Report to Corporate Bodies</i>	<p>The HR Committee's chair reports to the first available meeting of the Board of Directors on each meeting held by the HR Committee.</p> <p>At the Company's Annual General Meeting, the HR Committee or the Board, based on the Committee's indications, reports on the aforesaid remuneration policies and the HR Committee, through its chairperson or another member, reports on how its functions are carried out.</p>
<i>Meetings and Activities in 2017 and 2018</i>	<p>During the Year, the HR Committee met 7 times (with an average duration of approx. 1 hour and a half) to examine and propose the following to the Board of Directors, which – where required – has approved: (i) the definition of the three-year objectives of the MBO "hybrid" incentive scheme (Senior Executive MBO Plan, aka "SEMP 2017") for the CEO, Chief Internal Audit Executive, executives with strategic responsibilities and top managers; said objectives were defined consistently with the guidelines provided by the Board of Directors and by the same Committee, as well as with the economic and financial objectives. In said context, the annual individual objectives of the SEMP 2017 incentive scheme were particularly assessed for the CEO, for the person in charge of the preparation of the Company's accounting documents and, after hearing the Control, Risk and Corporate Governance Committee and the Board of Statutory Auditors, for the Chief Internal Audit Executive; (ii) the evaluation of the level of achievement of the objectives of the SEMP 2016 incentive scheme and, more specifically, those regarding the CEO, the person in charge of the preparation of the Company's accounting documents and, after hearing the Control, Risk and Corporate Governance Committee and the Board of Statutory Auditors, the Chief Internal Audit Executive; (iii) the evaluation concerning the level of achievement of the <i>Wave 2</i> performance condition of the long-term incentive plan called <i>Phantom Stock Option Plan 2014</i>; (iv) the proposal of an extraordinary incentive plan for the 2017 period for the top management of the Group with the aim of focusing management on the achievement of results of particular strategic importance; (v) the proposal for the novation of the employment contract and of the Mandate of the Managing Director, for the revision of short-term variable emoluments, as well as for the definition of the Managing</p>

Director's Severance Indemnity and for the inclusion of a non-competition and non-enticement agreement; (vi) the preparation of a benchmark and a study for the revision of the LTIP plan (Phantom SOP 2016) in search of a more efficient incentive tool in line with the Group's long-term objectives; (vii) the proposal to appoint five employees as managers for internal growth reasons; (viii) the update concerning the renewal of the contract of the CEO BU North America; (ix) the regular updating of the organizational changes regarding the Business Units of the Group aimed at facilitating the implementation of the necessary actions to achieve the growth objectives in terms of profitability, investments and revenue indicated in the business plan, as well as the progress of the Reorganization Operation completed in the fiscal year and whose implementation was monitored; (x) the assessment of the Group's internal talent management and succession pipeline through a detailed analysis of the leadership development project "Executive Leadership Journey".

During the first months of 2018 – until the date of this Report –, the Human Resources Committee met two times (with an average duration of the meetings of approximately 1 hour and 45 minutes) to examine and propose the following to the Board of Directors: (i) the assessment of the adoption of a short-term incentive scheme based on only annual objectives; (ii) the assessment of the introduction of an equity-based long-term incentive scheme; (iii) the analysis of salary trends aimed at evaluating merit remuneration variations for executives with strategic responsibilities and top managers; (iv) the preparation of the Remuneration Report for the year 2017, pursuant to art. 123-ter of TUF and art. 84-*quater* of the Issuers' Regulations, approved by the Board of Directors on 8 March 2018 and made available at the Company's registered office and the Company's website as required by the law; (v) the evaluation of the organizational adjustment measures after Reorganization; (vi) information on the payment of one-off bonuses linked to the same Reorganization Operation.

The actual participation of each member in the meetings of the HR Committee for the Year is detailed in Table 2 provided in the Appendix.

An approximate number of six HR Committee meetings, two of which have already been held at the date of this Report, is expected for 2018.

The meetings of the HR Committee and their resolutions are duly recorded in the minutes.

In carrying out its functions the HR Committee is assisted on technical aspects by the Group HR & Organization Director and experts in the sector or Group executives invited from time to time to take part in meetings.

The Board of Directors allocated 30,000 Euros for the operating costs of the HR Committee over the Year. For 2018, the Human Resources Committee will have an available budget of 30,000 Euros for its operation, within the indicative limits of the amount allocated by the Board of Directors at its meeting of 19 December 2017.

For further information on the composition and functions of the Human Resources Committee, see the Committee's regulations and the Remuneration Report, both available at the Company's registered office and on its website (www.autogrill.com – *Governance* section).

9. DIRECTORS' REMUNERATION

General Remuneration Policy

Law and Statutory Provisions

According to the Bylaws, the Shareholders' Meeting decides on the Company's remuneration policies for Board members, general managers and executives with strategic responsibilities, as well as on the procedures used for adopting and implementing said policies³⁷.

Pursuant to art. 123-ter, paragraph 6, TUF, the resolutions that the Shareholders' Meeting must adopt regarding the Company remuneration policies are not binding and must be limited to expressing a favourable or unfavourable opinion on such policies and their adoption and implementation.

For further information concerning the general remuneration policy adopted by Autogrill, see the Remuneration Report available at the Company's registered office and on its website (www.autogrill.com – Governance section).

Provisions of the Autogrill Code

In line with the provisions of the Self-Regulatory Code, the Autogrill Code³⁸ prescribes that the Company's policy for the remuneration of executive Directors or Directors holding particular offices is defined by the Board of Directors in compliance with the following criteria: (a) the fixed component and the variable component are adequately balanced in accordance with the Company's strategic objectives and risk management policy, also taking into account the business sector in which the Company operates and the characteristics of the business activity actually carried out; (b) maximum limits for variable components are envisaged; (c) the fixed component is sufficient to remunerate the services of the Chief Executive Officer if the variable component is not disbursed due to the failure to achieve the performance targets indicated by the Board of Directors; (d) performance targets – i.e. the economic results and any other specific objectives associated to the provision of variable components (including the objectives defined for equity-based remuneration plans) – are predetermined, measurable and linked to the creation of value for the shareholders over a medium to long term period; (e) the payment of a significant portion of the variable component of the remuneration is deferred to an appropriate date with respect to the

³⁷ Art. 11 of the Bylaws was amended on 21 April 2011 to reflect the combined provisions of art. 123-ter, paragraphs 3 and 6, of TUF.

³⁸ See paragraph 10.3(a) of the Autogrill Code.

maturity date; the extent of that portion and the length of deferral are consistent with the characteristics of the Company's business and the related risk profiles; (f) contractual agreements are provided so as to permit Autogrill to ask for the refund, in whole or in part, of variable components of the remuneration paid (or to withhold sums subject to deferment), determined based on data that have later proved to be manifestly wrong³⁹.

The Autogrill Code further provides that the allowance planned for the termination of the management relationship, if any, is defined so that its total amount does not exceed a specified amount or number of years of remuneration and that such allowance is not paid if the termination of employment is due to the attainment of objectively inadequate results that may be attributed to the Director⁴⁰.

Equity-Based Remuneration Plans

As previously mentioned, the Stock Option Plan envisaged the possibility to exercise matured options not later than 30 April 2018; as of the date of this report all the executives with strategic responsibilities exercised the available options.

In this connection, please refer to paragraph 2(a) of this Report, as well as to the Information Document, the Remuneration Report and the Draft Financial Statements; all of them available at the Company's registered office and in its website (www.autogrill.com – Governance Section).

For the purposes of the provisions of the Self-Regulatory Code⁴¹, we point out especially that:

- (a) the options granted under the aforementioned Stock Option Plan had a vesting period of four years (the exercise period will expire on 30 April 2018);
- (b) the maturation mentioned in point (a) above was subject to predetermined and measurable performance objectives;
- (c) the options granted under the Stock Option Plan may not be transferred *inter vivos*.

³⁹ See paragraph 10.3(a)(vi) of the Autogrill Code. This provision literally reproduces the text of the application criterion 6.C.1.f) of the Self-Regulatory Code.

⁴⁰ See paragraph 10.3(a)(vii) of the Autogrill Code assimilating the application criterion 6.C.1.g) of the Self-Regulatory Code.

⁴¹ See the application criterion 6.C.2. of the Code.

Remuneration of the CEO, Directors and Executives with Strategic Responsibilities

For information on the remuneration of the CEO, as well as of the Directors and executives with strategic responsibilities of the Company and its Subsidiaries, see the Remuneration Report available at the Company's registered office and on its website (www.autogrill.com – Governance Section). The Remuneration Report also contains information about the incentive plans based on *phantom stock options*: (i) the "2014 Phantom Stock Option Plan" that was approved by the Shareholders' Meeting on 28 May 2014 and (ii) the "2016 Phantom Stock Option Plan" approved by the Shareholders' Meeting on 26 May 2016.

It should be noted that the Chief Executive Officer and the executives with strategic responsibilities have a significant part of the remuneration associated with the achievement of specific performance targets, including those of a non-economic nature, which have previously been identified and determined in accordance with the guidelines contained in the general remuneration policy defined by the Board of Directors.

Incentive Mechanisms for the Person in charge of the Internal Audit Function and the Financial Reporting Manager

In defining the short- and long-term incentive schemes for the Chief Internal Audit Executive and the Financial Reporting Manager special attention was paid to balancing qualitative and economic and financial objectives, in consideration of their roles⁴².

Remuneration of non-Executive Directors

The remuneration of non-Executive Directors is not tied to the Company's economic results and such Directors are not eligible for inclusion in equity-based incentive plans.

As resolved at the Shareholders' Meeting held on 25 May 2017, each Director is entitled to a fixed annual remuneration of €60,000 for the office, in addition to the entitlement to reimbursement of the expenses incurred in the performance of his or her duties.

Each member of the Control, Risk and Corporate Governance Committee, Human Resources and Strategy and Investment

⁴² In line with the application criterion 6.C.3. of the Self-Regulatory Code.

Committees is entitled to an additional annual remuneration of €20,000; each member of the Related-Party Transaction Committee is entitled to an additional annual remuneration of 10,000 Euros.

The Remuneration Report also indicates the amount of the fees paid to each Director during 2017.

For further information on the Directors' remuneration, see the Remuneration Report available at the Company's registered office and on its website (www.autogrill.com – Governance Section).

Directors' Indemnity in the Event of Resignation, Dismissal or Termination of the Relationship following a Take-Over Bid

Regarding Directors' indemnity in the event of resignation, dismissal or termination of the relationship following a take-over bid, the contract disciplining the relationship between the CEO and the Company provides that, in case of said relationship being terminated for cause by the CEO or without cause by the Company, the Company must make up the indemnity for lack of notice and any other indemnity or compensation, including those provided for in the collective employment contract for executives in the commercial sector, to €2m, if it is less than that amount.

In any event of discontinuation of office or revocation of powers, the CEO will retain the right to be paid the variable emoluments relating to the incentive plans in which he participates subject to achievement of the relevant objectives and all other conditions provided for in each plan or programme and in proportion to the service rendered during the period in question.

10. CONTROL, RISK AND CORPORATE GOVERNANCE COMMITTEE

Composition and Tasks of the Control, Risk and Corporate Governance Committee

Under the Autogrill Code, the Company has a Control, Risk and Corporate Governance Committee, which carries out the consultative and advisory functions that the Self-Regulatory Code assigns to the Control and Risk Committee.

Main Functions of the Control, Risk and Corporate Governance Committee

Therefore, the Control, Risk and Corporate Governance Committee's task is to analyse problems and propose decisions for an efficient and effective operation of the Control and Risk System of the Autogrill Company and Group. The Control, Risk and Corporate Governance Committee is also invested with consultative and advisory functions in relation to the adoption of corporate governance rules by the Company and the Group.

Composition of the Committee

On 25 May 2017, the Board of Directors in office appointed as members of the Control, Risk and Corporate Governance Committee the independent Directors Ms. Cristina De Benetti (Chairperson of the Committee) and Mr. Francesco Umile Chiappetta, proposed from the list of minority shareholders, as well as the non-executive Director Mr. Paolo Roverato.

In compliance with the Self-Regulatory Code⁴³, the Control, Risk and Corporate Governance Committee is made up of non-executive, mostly independent, Directors. As also reflected in the *curricula vitae* shown in this Report, all its members have an adequate experience in accounting and finance or risk management issues, as assessed and ascertained by the Board of Directors upon their appointment.

Charter

The Control, Risk and Corporate Governance Committee's Charter, last updated by the Board of Directors on 20 December 2016, contains detailed regulations for the operation of the Committee. It is available in the Company's website (www.autogrill.com - Governance section) and is annually reviewed by the Committee.

⁴³ See principle 7.P.4. of the Self-Regulatory Code, whereby the Committee may be composed of non-executive and mostly independent directors provided that, as in this case: (i) the chairperson of the Committee is also selected from among independent directors; (ii) the issuer is not controlled by another listed company; and (iii) the issuer is not directed or coordinated by another entity.

Functions assigned to the Control, Risk and Corporate Governance Committee according to its operating regulations

The mandate of the Control, Risk and Corporate Governance Committee is to support the Board of Directors' assessments and decisions with appropriate investigation activities regarding the Control and Risk System and the Corporate Governance of the Company and Group.

More specifically, the Autogrill Code⁴⁴, as implemented by the operating regulations of the Control, Risk and Corporate Governance Committee, requires the Committee to:

- (a) support the Board of Directors in performing its tasks within the Control and Risk Management System;
- (b) upon the Control and Risk Management System Director's request, express opinions concerning specific aspects related to the identification of the main corporate risks, as well as to the design, implementation and maintenance of the Control and Risk Management System;
- (c) evaluate the work plan prepared by the Chief Internal Audit Executive, examine the periodic reports prepared by the Chief Internal Audit Executive and monitor the independence, appropriateness, effectiveness and efficiency of the internal audit function;
- (d) evaluate, together with the Financial Reporting Manager, after listening to the opinion of the legal auditor and the Board of Statutory Auditors, the appropriateness of the accounting principles adopted, their correct use and consistency for reporting purposes (financial statement and consolidated financial statement);
- (e) report to the Board of Directors at least on a six-monthly basis when the annual and mid-year financial report is approved, on the activity carried out and on the appropriateness of the Control and Risk Management System;
- (f) ask the internal audit function to check and review specific operating areas and promptly notify the chairperson of the Board of Statutory Auditors;

⁴⁴ See section 12.2 of the Autogrill Code that is in line with application criterion 7.C.2. of the Self-Regulatory Code.

- (g) carry out all the additional tasks assigned by the Board of Directors;
- (h) support with the adequate investigation activities the Board of Directors' decisions concerning the approval of periodic financial reports;
- (i) support with the adequate investigation activities the Board of Directors' evaluations and decisions concerning the management of risks deriving from detrimental events of which the Board of Directors has become aware⁴⁵;
- (j) express its opinion to the Board of Directors concerning the Report on Corporate Governance and Ownership Structure, also for the purpose of describing the characteristics of the Control and Risk Management System and the evaluation of its appropriateness.

*Meetings and
Activities in 2017
and 2018*

During the Year, the Control, Risk and Corporate Governance Committee met 9 times (average length of meeting: approx. 3 hours), regularly accessed the corporate information required and, *inter alia*, examined:

- the proposal of Group's audit plan 2017, subsequently approved by the Board of Directors, and the quarterly report on the significant results of the activity carried out by the Internal Audit function during 2017;
- the activity plan 2017 of the Enterprise Risk Management function, and then the results of said activity;
- the continuous updating of the quarterly risk profile;
- some aspects highlighting the progress of the Control and Risk System (including the updating of some aspects constituting the internal environment, specific focus on the evolution of each major business unit as regards governance, controls and risks and focus on some significant areas or processes with regard to controls and risks);
- the reports on the activity of the Supervisory Body;
- the activity and organizational structure of HMSHost North America's and HMSHost International's Internal Audit function.

The Committee also took note of the changes in international accounting standards.

⁴⁵ This provision is consistent with the application criterion 7.C.2. of the Self-Regulatory Code.

During 2018, the Control, Risk and Corporate Governance Committee has so far met 3 times at the date of this Report and has mainly:

- ✓ examined the methods and assumptions used to perform the “impairment test” on the goodwill recorded in the consolidated financial statements and company financial statements of Autogrill and on the value of the participating interest directly and indirectly referred to Autogrill;
- ✓ in the light of what was stated by the Financial Reporting Manager, after having heard the Board of Statutory Auditors and the Independent Auditors, it has acknowledged the correct and consistent use of accounting standards to draw up the annual accounts and consolidated financial statements for 2017;
- ✓ examined the 2017 annual report on the activities of the Internal Audit department and the 2018 annual Audit plan;
- ✓ approved the report on the Control, Risk and Corporate Governance Committee’s activities for 2017;
- ✓ reviewed the 2018 activity plan of the Enterprise Risk Management function;
- ✓ examined the progress of the statutory audit plan of the annual accounts and consolidated financial statements for 2017;
- ✓ reviewed the report of the Financial Reporting Manager, pursuant to the Law on Savings, as regards the report for the year 2017;
- ✓ expressed its opinion to the Board of Directors regarding this report on Corporate Governance, also for the purposes of the description of the features of the Control and Risk Management System and the assessment of its adequacy.

For 2018, 9 meetings are scheduled, including those already held as at the date of this report.

Minutes are prepared for each meeting held by the Control, Risk and Corporate Governance Committee. The Control, Risk and Corporate Governance Committee’s chair reports to the first available meeting of the Board of Directors on each meeting held by the Committee.

The Control and Risk Management System Director, the Financial Reporting Manager, the Chief Internal Audit Executive, the Enterprise Risk Manager, the chairperson of the Board of Statutory Auditors or another auditor designated by him/her are all entitled to take part in the Control, Risk and Corporate Governance Committee’s meetings;

*Participation in the
Committee’s
Meetings*

the Independent Auditors may also take part in the meetings upon their request. For specific subjects, however, other members of the Board of Statutory Auditors, as well as the Company's and Group's Managers and Directors may be invited as well. The Chairperson and the Chief Executive Officer are generally invited to attend.

In performing its tasks, the Control, Risk and Corporate Governance Committee may use the help of Autogrill's and the Group's partners within the limits of the budget allocated to the Committee's operating costs.

The actual attendance of each member of the Control, Risk and Corporate Governance Committee in the meetings held during the Year is detailed in Table 2 in the appendix.

The Control, Risk and Corporate Governance Committee is entitled to access the information and business functions required to carry out its task.

Budget

During its meeting held on 25 May 2017, the Board of Directors allocated €30,000 to the Control, Risk and Corporate Governance Committee for the fulfilment of its tasks in the Business Year. For the year 2018, the same Control, Risk and Corporate Governance Committee will be allocated 30,000 Euros, within the strictly indicative limits of the annual budget allocated by the Board of Directors during its meeting on 19 December 2017.

11. INTERNAL CONTROL AND RISK MANAGEMENT SYSTEM

Foreword

Please note that the Company has adopted the Autogrill Code, which outlines, *inter alia*, the guidelines for the internal control system.

The Control and Risk Management System adopted by Autogrill is the sum of the rules, procedures and organizational structures designed to promote – by means of an appropriate system of identification, measurement, management and monitoring of the main risks – company management that is sound, correct and in line with strategic objectives.

More specifically, pursuant to the Autogrill Code⁴⁶, an effective internal control and risk management system contributes to:

- (a) monitor the efficiency, knowledgeability and auditability of corporate operations and, in general, ensure the correctness and reliability of the Company's and the Group's corporate governance and business management;
- (b) ensure and control the quality and reliability of accounting and management information and, in general, of any information provided to corporate bodies and to the market⁴⁷, also through the auditing of their recording processes and of information flows;
- (c) ensure and monitor the compliance with the principles of the Code of Ethics and, in general, with the applicable legislation and regulations, as well as the compliance with the Company's Articles of Association and internal procedures;
- (d) ensure the implementation of and compliance with the Model and instructions of the Supervisory Board;
- (e) ensure the protection of the Company's assets, as well as the efficiency and effectiveness of business processes.

The operating responsibilities for the conduction of Autogrill's Control and Risk Management System are in line with international best

*Alignment with
International Best
Practices*

⁴⁶ See section 11.2 of the Code.

⁴⁷ Also in this respect, the Autogrill Code reflects what is now stated in principle 7.P.2. of the Self-Regulatory Code.

practices, consistently with the three control level principle, and more specifically:

- (a) a “primary level control” on corporate processes carried out by each business unit, and therefore Line Managers, thus becoming an integral part of each corporate process;
- (b) a “secondary level control” entrusted to specific functions, distinct from operational functions, that support the Line Management in the development of the Control and Risk Management System and its good operation;
- (c) a “third level control” performed by the Internal Audit function.

*Principle of
Responsibility*

As laid down in its Code of Ethics and in the Autogrill Code⁴⁸, Autogrill takes measures aimed at developing the principle of responsibility vested in all controlled subjects and setting up a control system appropriate to its business, wherever it operates.

Autogrill takes steps to promulgate, throughout the Group and at all levels, the idea that a proper internal control and risk management system is an indispensable condition for the attainment of its business objectives.

*Enterprise Risk
Management
Guidelines*

The presence of an organizational Enterprise Risk Management function at Group level also pursues the objective of ensuring an organic identification and management of risks by the various business units that make up the Group.

On 12 November 2015, having heard the opinion of the Control, Risk and Corporate Governance Committee, the Board of Directors approved the *ERM Group Guidelines* that formalized the governance model to support the evaluation of the overall risk profile and the adequacy of the already existing risk management system. This model is an accountability system at Group level and provides a management tool aimed at supporting decision-making processes through the clarification of the elements of risk and uncertainty and the determination of the relevant reactions.

*“Open Line –
Autogrill Ethics and
Compliance
Reporting Tool” and
“Group Global
Anticorruption
Policy”*

It should be noted that, based on the needs highlighted by the legislation, the Self-Regulatory Code⁴⁹ and the national and

⁴⁸ See paragraph 11.5 of the Autogrill Code.

⁴⁹ Please note that the comment to art. 7 of the Self-Regulatory Code reads: “The Committee believes that, at least in the issuing companies listed on the FTSE-MIB index, an adequate internal control and risk management system should be provided with an internal reporting system allowing the employees to report any irregularities or violations of applicable law and internal procedures (the so-called whistle-blowing

international practice on the matter, on 14 April 2016, the Board of Directors acknowledged the opportunity to implement a new tool called "*Open Line - Autogrill Ethics and Compliance Reporting Tool*" designed to allow each employee of the Autogrill Group to report - via the web – any colleague's behaviour that is not in line with the ethical principles of the Company and the Group or, *vice versa*, any particularly virtuous behaviour, also in order to foster the dialogue between the employees of the Group and the Company.

Furthermore, on 28 September 2017 the Board of Directors approved the new "*Global anti-corruption policy of the Autogrill Group*". This policy came into force on 1 January 2018 and indicates to all directors, managers, employees and members of the supervisory bodies of Group companies and to all those who operate, in Italy and abroad, in the name of or on behalf of Autogrill, the principles and rules to be followed to ensure compliance with the anti-corruption legislation. The general and mandatory rule of this policy is that Autogrill prohibits any form of corruption in favour of anyone (including public officials and persons acting on behalf of companies or private bodies), with particular reference to the following conduct (carried out either directly or indirectly through any third party acting in the name or on behalf of Autogrill):

- offer, promise, give, pay, authorize someone to give or pay, directly or indirectly, an economic advantage or other benefit to a public official or to anyone acting in the name of a company or a private entity (so-called "active corruption"); or
- accept or solicit the offer or promise of, or authorize someone to accept or solicit, directly or indirectly, an economic advantage or other benefit (so-called "passive corruption");

in either of the above cases, where the intention is

- to induce a public official or a private individual to perform, in an improper manner, any public function or any activity associated with a business or to reward him for having performed it;
- to influence an official act (or omission) by a public official or any decision by a public official in violation of an official duty;
- to obtain, secure or maintain a business or an unfair advantage in relation to the business activities; or

systems) in line with the best practices existing at national and international level, ensuring a specific and confidential information channel, as well as the anonymity of the reporting person"..

in any case, to violate applicable laws.

During its meeting on 30 June 2016, the Board of Directors approved a procedure called "Policy on the use and management of Autogrill Group's violation reporting system", which is mandatory for the entire Autogrill Group, upon adoption by the respective management bodies of each Group company.

Main Characteristics of Risk Management Systems

Purpose and Objectives

The risk management model is based on the systematic and structured identification, analysis and measurement of risk areas capable of affecting the achievement of strategic objectives, this model supports the Management and Board of Directors in decision-making processes, in the assessment of the global risk exposure of the Company and Group, in defining the appropriate mitigation actions, thus contributing to reduce the degree of volatility of pre-set objectives and, as a consequence, assess the nature and level of risks to ascertain their compatibility with the strategic objectives of the Company.

Roles and Functions involved

The Control and Risk Management System Director defines the tools and procedures for the implementation of the Control and Risk Management System in compliance with the indications of the Board of Directors and ensures their dissemination to all the business units of the Company and Subsidiaries, providing policy and coordination guidelines, particularly through the dedicated Enterprise Risk Management Function of the Group.

The managers of each business unit of the Group are responsible for the systematic risk identification, measurement, management and monitoring process, as well as the definition of the related countermeasures, according to the model and Group policies specified below.

For a review of the operation of the Control and Risk System, the Board of Directors uses the Financial Reporting Manager, the Chief Internal Audit Executive and the Supervisory Body (for the matters concerning the Model No. 231), while the Control, Risk and Corporate

Governance Committee supports the Board for the matters falling within its competence.

The supervision and control functions to be carried out by the Board of Statutory Auditors by law remain, while auditing activities are performed by an Auditing Company, as required by the Italian legislation.

Methodological Approach

The *Enterprise Risk Management* model of Autogrill:

- is based on a global approach to all the potential risk areas and opportunities, focussing on those that are potentially more significant in terms of possible impact on the achievement of strategic objectives or on the value of the company's equity;
- is based on the self-assessment of the risk profile by the Management of the Group;
- uses a quantitative determination of the impact of each individual risk event with respect to income/financial/equity metrics, while, where said determination is not feasible, it uses prioritization scales based on reputational impacts or on the efficiency/continuity of corporate processes;
- provides for a process of sharing and discussing issues within the first management line (C Level), governed by the ERM Group guidelines;
- contemplates a regular monitoring of response measures to the risks identified and of the evolution of risks in terms of likelihood and impact assessment;
- pursues objectives of progressive integration in decision-making and business processes;
- requires a reporting flow towards the top management and a periodic reporting of the *Enterprise Risk Management* function to the Control, Risk and Corporate Governance Committee and to the Board of Directors.

*Strategic Risks and
Operational Risks*

Two main categories of risk are identified in the Autogrill Group's risk model: strategic risks, which include business risks, financial risks and governance and compliance risks, and operational risks, which include the risks associated with corporate processes (human resources, operations, information technology, operational planning).

Management of the legal and non-compliance risk is one of the activities carried out by those who play a first level control role.

The adopted approach provides, *inter alia*, for risk analysis as part of the strategic planning and investment assessment process with the analysis of volatility and risk management plans that highlight the limits of willingness to accept risk ("risk appetite") shared by the Board of Directors.

Main Characteristics of the Risk Management and Internal Control Systems existing in connection with the Financial Disclosure Process

Purposes and Objectives

Within the framework of the Control and Risk Management System, as regards financial disclosure, the administrative and accounting compliance model provided for by the Law on Savings (the "**Law 262 Model**") plays a particularly important role. The Company implemented this Model within the framework of the alignment process with the Investor Protection Law and regularly updated it ever since after any change in the legislation or regulations and based on the Group's trends.

The goal of the Law 262 Model is to significantly mitigate risk in terms of accountability, reliability, accuracy and promptness of the financial disclosures of the Autogrill Group.

Main regulatory References and Reference Models

The Law 262 Model adopted is consistent with national and international best practices, such as the CoSO framework, the COBIT for SOX (referring to the IT control environment), Confindustria guidelines.

Roles and Functions involved

In the organizational layout of the Autogrill Group, the activities of implementation, maintenance and development of the Law 262 Model to be prepared for financial reporting purposes are indicated in detail.

The CEO – also in his capacity as Control and Risk Management System Director – and the Financial Reporting Manager ensure the implementation and the continuous management of the Control and Risk System concerning the financial reporting process by providing guidelines to the Group and specific administrative/accounting procedures, including the Group's Accounting Manual, with the

Chief Executive
Officer and
Financial Reporting
Manager

support of the central function dedicated to the implementation and maintenance of the Law 262 Model (L.262 Compliance Office).

*Operational
Managers*

The primary responsibility for control activities is assigned to operational managers at the different levels of the organization, with special responsibilities for the Chief Executive Officer/Chief Operating Officers and Chief Finance Officers/Finance Managers of the Reporting Units, who, at least every six months, certify the adequacy and effective implementation of reporting procedures to the CEO and to the Financial Reporting Manager.

Board of Directors

The Board of Directors evaluates the appropriateness of the organizational, administrative and accounting layout of the Group, approves the policies of the Control and Risk System and supervises the Financial Reporting Manager to ensure that he/she is provided with adequate powers and instruments for the preparation of financial reports.

*Control, Risk and
Corporate
Governance
Committee*

The Control, Risk and Corporate Governance Committee supports the evaluations and decisions of the Board of Directors concerning the Control and Risk System and the approval of periodic financial reports, with specific reference to the use of accounting principles.

Consistently with Law 262 Model, the Financial Reporting Manager, at least on a six-monthly basis, reports to the Control, Risk and Corporate Governance Committee, Board of Auditors and Board of Directors on the compliance activities carried out.

The Internal Audit function helps the Financial Reporting Manager independently check the design and operational effectiveness of the most significant audits and provides said governance and control bodies with an independent opinion on the appropriateness and actual operation of the Law 262 Model.

Methodological Approach

On an annual basis, Autogrill updates the scope of the analysis of the administrative/accounting audits – the so-called scoping –, determined on the basis of both quantitative – based on the significance of each Reporting Unit of the Group and the different consolidated financial statement accounts – and qualitative considerations, that consider the structure of the Group and the characteristics of specific balance sheet items.

Consistently with national and international best practices, the Group adopted a complex methodological approach for the analyses that each Reporting Unit involved has to carry out, whose main steps are:

- a) Identification of the main risks and high level controls - Entity Level Controls;
- b) Identification of the main risks and controls to protect information systems - IT General Controls;
- c) Identification of the main risks and controls to protect operating processes - Process Level Controls;
- d) Check of the design and operation of controls;
- e) Preparation of the report on the appropriateness and actual implementation of the financial reporting control system - Report on Internal Controls.

Elements of the System

a) Identification of the main risks and high level controls - Entity Level Controls

Every year, the Company carries out a synthetic and global analysis of the Control and Risk Management System referring to financial disclosures at functional/organizational and IT level.

In particular, the components considered for the purpose of assessing Entity Level Controls are:

- ✓ The control environment within the organization (control environment);
- ✓ The process of assessing risks that may jeopardize the achievement of business objectives (risk assessment);
- ✓ Control activities for mitigating risks (control activities);
- ✓ The information system and information flows between top management and operating personnel (information & communication); and
- ✓ The constant monitoring of the quality and results of the internal controls carried out (monitoring).

The relevant controls identified above are formalized in a dedicated Risk & Control matrix.

b) Identification of the main risks and controls to protect information systems - IT General Controls - Process Level Controls

IT General Controls focus on processes in the Information Technology area, linked to the production environment, and are designed to

ensure a reliable IT environment, supporting the effectiveness of the applications controls.

The outcome of this activity is formalized through a Risk & Control matrix.

c) Identification of the main risks and controls to protect operating processes - Process Level Controls

The control activities implemented to protect the Company from significant risks which may jeopardize the trueness and correctness of financial disclosures are identified by the Reporting Units by means of Narrative and Risk & Control Matrices against specific control objectives that refer to the operating processes that feed the main consolidated balance sheet accounts.

This objective is achieved with an adequate understanding of the key activities associated with each process and an assessment of "balance sheet statements" (existence and occurrence, completeness, accuracy, rights and obligations, valuation and recording, presentation and disclosure) and other control objectives (such as, without limitation, the fulfilment of authorization limits, the segregation of incompatible tasks, controls on the physical safety and on the existence of assets, documentation and traceability of operations/transactions).

The structure of controls includes the identification of the key controls, whose absence or non-implementation entails a risk of significant error/fraud in the financial statements.

d) Check of the design and operation of controls

All the controls – at entity, IT and process level – are subject to evaluation in order to check the effectiveness of design and its actual operation in time.

The first evaluation on the design and operation of controls is the responsibility of Control Owners who, with the support of the Law 262 Compliance Office, regularly review the existing control model and assess its operation.

The independent monitoring activity – the so-called "testing" - is instead entrusted to the Internal Audit Function in order to ascertain whether the controls designed for the risks identified work effectively and in line with the provisions of the relevant administrative/accounting procedures.

The final phase of testing consists of an assessment of the results of the operating phase and definition of corrective action and/or improvement plans.

The test results are consolidated by the Group Internal Audit function in a report submitted to the Financial Reporting Manager, along with the controls compensating critical areas and any remedial plans proposed by the Reporting Unit, and, for the purposes of Internal Audit's reporting activities, to the Chief Executive Officer, the Control, Risk and Corporate Governance Committee and the Statutory Auditors.

Periodically, the implementation and/or progress of any corrective action identified are reviewed against the observations raised after the design analysis and operational effectiveness activities conducted, previously shared with the managers of the operating processes.

e) *Preparation of the report on the appropriateness and actual implementation of the financial reporting control system - Report on Internal Controls*

Based on the outcome of the review of the implementation of the Model, the Financial Reporting Manager prepares a report on the appropriateness and actual implementation of the financial reporting control system that will be submitted to the BoD for approval after being reviewed by the Control, Risk and Corporate Governance Committee during the meeting for the adoption of the draft annual financial statements and mid-year report.

11.1. Control and Risk Management System Director

On 25 May 2017, the Board of Directors confirmed to the CEO the office of Control and Risk Management System Director.

Pursuant to the Autogrill Code⁵⁰ and in line with the Self-Regulatory Code, the Control and Risk Management System Director:

- (a) defines the tools and procedures for the implementation of the Control and Risk Management System based on the indications of the Board of Directors; ensures the global appropriateness of the Control and Risk Management System, its correct implementation, its alignment with any change occurring in operating conditions and in the legislative and regulatory scenario; proposes to the Board

⁵⁰ See the application criterion 7.C.4. of the Self-Regulatory Code and section 11.4 of the Autogrill Code.

of Directors the appointment and, where the revocation conditions are met, the revocation of the Chief Internal Audit Executive;

- (b) implements the necessary actions for the Control and Risk Management System after seeing the outcome of the auditing activities conducted by the Board of Directors with the support of the Control, Risk and Corporate Governance Committee and the Chief Internal Audit Executive;
- (c) may ask the Internal Audit Function to check and review specific operating areas and to oversee compliance with regulations and internal procedures in the execution of corporate operations, to then notify the Chairperson of, the chairperson of the Control, Risk and Corporate Governance Committee and the chairperson of the Board of Statutory Auditors;
- (d) promptly reports to the Control, Risk and Corporate Governance Committee (or Board of Directors) about any problem or criticality that may arise during the conduction of his/her activity or that he/she may have become aware of, in order for the Control, Risk and Corporate Governance Committee (or Board of Directors) to be enabled to take action.

11.2. Person in charge of the Internal Audit Function

Internal Audit Function

Internal Audit is an independent and objective assurance activity aimed at continuously reviewing the effectiveness and efficiency of the internal control and risk management system, and its related organization. It helps the organization pursue its objectives by using a professional systematic approach that generates added value because its purpose is to allow for the assessment of the appropriateness of control, risk management and corporate governance processes and their actual operation.

The Internal Audit Function evaluates the planning and operation of the control and risk management systems concerning operating activities, IT systems and the governance of the Group. This activity includes:

- understanding risks in compliance with the *Enterprise Risk Management* model adopted by the Group;

- evaluating the appropriateness and efficacy of the internal control and risk management system by promoting an effective control at reasonable costs, with a special focus on the reliability and integrity of accounting, financial and operating information, effectiveness and efficiency of operating activities, protection of corporate assets, as well as the compliance with policies, procedures, laws, regulations and agreements.

Audit Plan

The internal audit activity is carried out by developing an audit plan, based on a specific analysis of risks and taking into account the Group's Internal Audit Guidelines, on all the activities and processes identified within the companies of the Group. This audit plan is carried out through the independent verification of first and second level controls by means of, in particular:

- ✓ specific process and business unit auditing projects;
- ✓ check of the reliability of IT systems;
- ✓ auditing of administrative and accounting processes;
- ✓ follow-up of the corrective actions identified during auditing, useful for the improvement of the Control and Risk System.

*Autogrill Group's
Internal Audit
Mandate*

On 8 November 2012, the Board of Directors, with the positive opinion expressed by the Control, Risk and Corporate Governance Committee on 30 October 2012 and after listening to the Board of Statutory Auditors' opinion, approved a document called "Autogrill Group Internal Audit Mandate", most recently updated on 12 February 2015, that defines the purposes, powers and responsibilities of the Internal Audit function and of the Group's Chief Internal Audit Executive. This mandate is subject to annual review and updating by the Control, Risk and Corporate Governance Committee.

*Appointment and
Functions of the
Chief Audit
Executive*

On 12 December 2007, on the proposal of the Control and Risk Management System Director and with the favourable opinion of the Internal Control and Corporate Governance Committee, the Board of Directors appointed Mr. Silvio de Girolamo as Group's Internal Audit Director and CSR Officer, in charge of the internal audit under the Self-Regulatory Code⁵¹.

On 20 December 2016, on the proposal of the Control and Risk Management System Director formulated to the Control, Risk and Corporate Governance Committee and with the favourable opinion of the same Committee and of the Board of Statutory Auditors, the Board

⁵¹ See the current application criterion 7.C.5. of the Self-Regulatory Code.

of Directors confirmed the appointment of Mr. Silvio de Girolamo as person in charge of the Internal Audit Function.

It should be noted that the Board of Directors held on 8 March 2018, on the proposal of the Control and Risk Management System Director, after consulting the Control, Risk and Corporate Governance Committee and the Board of Statutory Auditors - in full compliance with application criterion 7.C.1 of the Self-Regulation Code - appointed Ms. Elisabetta Cugnasca as head of the Internal Audit Function.

Pursuant to the Autogrill Code⁵², the task of the Chief Internal Audit Executive is to check that the Control and Risk Management System is appropriate and is being properly implemented and to ensure that internal audit activities are carried out in autonomy and in such a way as to ensure its effectiveness and efficiency.

More specifically, the Chief Internal Audit Executive:

- (a) reviews, both continuously and in connection with specific requirements and operating areas, and in compliance with international standards, the actual implementation and appropriateness of the Control and Risk Management System, taking into account the characteristics of the company and the risk profile adopted, and prepares, after listening to the opinion of the Control, Risk and Corporate Governance Committee, Board of Statutory Auditors and Control and Risk Management System Director, an annual audit plan that is submitted to the approval of the Board of Directors;
- (b) is not responsible for operating areas and reports to the Chairperson of the Board of Directors;
- (c) has direct access to all the information that might be useful for the performance of his/her tasks;
- (d) prepares periodic reports containing appropriate information on his/her activity, risk management approach adopted, as well as compliance with the plans defined for their mitigation. The periodic reports contain an evaluation of the appropriateness and effectiveness of the Control and Risk Management System, that considers the characteristics of the company and the risk profile adopted;
- (e) promptly prepares reports on particularly significant events;

⁵² See section 11.3(c) of the Autogrill Code.

- (f) transmits the reports described in points (d) and (e) above to the Board of Statutory Auditors, the Control, Risk and Corporate Governance Committee and the Board of Directors, as well as to the Control and Risk Management System Director;
- (g) reviews, within the audit plan, the reliability of IT systems, including reporting systems.

The Chief Internal Audit Executive reports to the Board of Directors, to the Control, Risk and Corporate Governance Committee, to the Control and Risk Management System Director and to the Board of Statutory Auditors.

During the Year, the Internal Audit function verified the operation and suitability of the control and risk management system by carrying out audit projects in accordance with the audit plan 2017. During audit activities, the Internal Audit function has identified improvement areas, for which remediation plans were defined. It has also carried out systematic follow-up activities aimed at verifying the outcome of system improvement actions.

According to the audit plan, the Internal Audit function has also carried out independent audits of compliance with process controls so as to comply with Law No. 262/05 within Autogrill and the companies in the same scope of consolidation.

Furthermore, the Internal Audit function has provided specialized support to the Financial Reporting Manager and the Supervisory Body for compliance with L. 262/05 and Legislative Decree No. 231/01, and to the management as regards the control and risk management system.

Remuneration and Resources

The Chief Internal Audit Executive's fees are defined – in agreement with the Chairperson - by the CEO, under the supervision of the Board of Directors and after listening to the opinions of the competent Committees, in compliance with the corporate remuneration policies and in connection with the tasks performed.

The Chief Internal Audit Executive has the financial and human resources required, as specified in an annual budget of the Internal Audit Function, for the performance of his/her tasks and has access to all the data and information required for the performance of his/her tasks.

International Standards and Guidelines

The Chief Internal Audit Executive and his/her structure in the conduction of their activity enforce the principles of the code of ethics

for the profession and International Standards for the Professional Practice of Internal Auditing issued by the Institute of Internal Audit (IIA).

Internal Auditing activities and operating processes are defined in the Internal Audit Guidelines.

11.3. Model No. 231

The Model No. 231

The Model 231 was adopted for the first time by Autogrill on 6 November 2002 and was subsequently supplemented after a number of regulatory changes that extended the scope of Legislative Decree no. 231/2001 to new categories of offences.

On 28 July 2017, the Board of Directors approved a new version of Model 231, which had become necessary in view of (i) the award by the Company of some tenders concerning a single concession for the management of catering and fuel/lubricant distribution services, and (ii) the consequent greater exposure of the Company to the risk of violations of the environmental regulations. Therefore, it was necessary to amend and integrate Model 231 with regard to the activities falling within the sensitive area of the “environmental compliance management”, the parties involved and control principles.

It should also be noted that, as a result of the Reorganization Operation, the management of the oil business was transferred to Autogrill Italia and, consequently, Model 231 is currently undergoing further revision in consideration of the more general changes in the Group’s structure due to the Reorganization Operation.

The Model includes a general part and a special part.

The general part describes the contents of the Legislative Decree No. 231/2001, with a special focus on the criminal offences for which the entity might have administrative responsibility, the possible sanctions and conditions for exemption from liability (First Section), and the organizational and governance structure of the Company, with the activities carried out to update and disseminate the Model (Second Section).

The special part contains the protocols, which are a set of control and behaviour rules and principles considered to be appropriate to govern the areas where a potential crime risk has been identified, as defined in Leg. Dec. 231/2001.

In addition, the following documents are enclosed as an integral part of the Model:

- list of predicate criminal offences;
- Ethics Code.

The Model must be periodically reviewed and amended whenever even only a potential risk exists that may lead to the violation of regulations, that is to say when any change is made to the organization, activities, legal provisions or reference standards.

*Supervisory Body:
Composition and
Activities*

On 25 May 2017, the Board of Directors appointed Mr. Giorgio Brunetti - formerly the Company's Lead Independent Director - Mr. Silvio de Girolamo, Group Internal Audit & CSR Director, and Mr. Eugenio Colucci, Standing Auditor of Autogrill, as members of the Supervisory Body.

The Supervisory Body met 7 times during the Business Year and provided details to the Board of Directors and to the control body on a six-monthly basis on the degree of implementation and compliance with the Model.

For the operation of the Supervisory Body in 2018, during its meeting on 19 December 2017, the Board of Directors allocated a fund of 50,000 Euros, including the remuneration to be paid to each of the members of the Supervisory Body.

The general part of the Model is available for consultation in the Company's website (www.autogrill.com - Governance section).

11.4. Independent Auditors

*Group's Procedure
for the Appointment
of Independent
Auditors*

On 29 July 2005, the Board of Directors adopted a Group-wide procedure for the appointment of Independent Auditors for Autogrill and its Subsidiaries and for the assignment of tasks to the Independent Auditors and, on 8 November 2012, approved a new version of that procedure.

The procedure ensures that the Independent Auditors in charge of the audit of the Group Parent Company are also responsible for the statutory audits of Autogrill's Subsidiaries. Any use of statutory auditing companies other than that indicated by the Group Parent Company shall be properly justified and has to be approved only with the prior favourable opinion of the Board of Statutory.

The procedure also aims to guarantee the independence of the Independent Auditors in respect of the company retaining it. To this end and in accordance with current regulations, mandates for services incompatible with the statutory audit role may not be given to the Independent Auditors.

*Independent
Auditors appointed*

The Shareholders' Meeting held on 28 May 2015 appointed Deloitte & Touche S.p.A., with headquarters in Milan, as independent auditors for the years 2015-2023.

11.5. Financial Reporting Manager

*Law and Statutory
Provisions*

Under art. 18 of the Bylaws, the Board of Directors, acting on the CEO's proposal and having noted the non-binding opinion of the Board of Statutory Auditors, appoints the Financial Reporting Manager.

This officer must have a university education and at least five years' experience in accounting, economics and finance, together with any further requirements laid down by the Board of Directors or the law or regulations. In addition to the aforementioned requirements, the Board of Directors determined that the Financial Reporting Officer should be subject to the provisions of eligibility and termination of office in art. 2382 C.C.

*Appointment,
Functions and
Budget of the
Financial Reporting
Manager*

On 10 November 2011, the Board of Directors, with the favourable opinion of the Board of Statutory Auditors and Internal Control and Corporate Governance Committee (now called "Control, Risk and Corporate Governance Committee"), appointed Mr. Alberto De Vecchi, the Chief Financial Officer of the Group, as Financial Reporting Manager.

The Financial Reporting Manager was informed and vested with powers enabling performance of such duties, also with reference to the rules disciplining the role of Financial Reporting Manager approved by the Board on 18 March 2008 and updated on 31 July 2014.

To carry out his tasks, the Financial Reporting Manager has an annual budget of financial and human resources proposed by himself and approved by the Board of Directors.

On 26 January 2018, the Board of Directors approved the budget for the year 2018 proposed by the Financial Reporting Manager.

11.6. Coordination between Subjects involved in the Control and Risk System

A major coordination event for the subjects involved in the control and risk system is the meeting of the Control, Risk and Corporate Governance Committee. Such meetings are held jointly with the meetings of the Board of Statutory Auditors and are attended by the Chief Internal Audit Executive, the Head of Group Enterprise Risk Management, and the Financial Reporting Manager. Moreover, the members of the Control, Risk and Corporate Governance Committee periodically exchange information with the Supervisory Board and with the Control and Risk Management System Director.

12. DIRECTORS' INTERESTS AND RELATED-PARTY TRANSACTIONS

RPT Procedure

Referring to CONSOB's Recommendation for the issuers to assess at least on a three-year basis whether they should review the procedures adopted according to the RPT Regulations, taking into account, inter alia, the changes that might have been made to the ownership layout, as well as the effectiveness shown by the procedures in practice, the first time on 12 December 2013 and the second time on 11 April 2017 the BoD passed a resolution to entrust the Group General Counsel, with the support of the Group Chief Financial Officer and the functions that may be from time to time involved, with the tasks of: (i) completing, by staying in contact with the Committees of the Company that may be from time to time involved, the review of the procedure for Related-Party Transactions (the "**RPT Procedure**") currently in force that was adopted through a Board's resolution on 29 November 2010 and updated through a Board's resolution in 2014, and (ii) propose, within the necessary time span, actions for an adjustment or refinement of the RPT Procedure for each consequent determination of the BoD, after listening to the opinion of the RPT Committee pursuant to the Related-Party Transactions Regulations⁵³.

After extensive inspections aimed at examining and reassessing the choices made during the first approval and the first revision of the RPT Procedure, on 19 December 2017, the Board of Directors approved a new version of RPT Procedure according to Related-Party Regulations. The new version will enter into force once the appropriate procedures and implementation methods have been adapted, thus replacing the procedure currently in force.

In particular, the RTP procedure in force at the date of this Report provides for:

1. the textual reference to the criteria identified by CONSOB for the purpose of assessing whether a transaction falls within the ordinary exercise of the operational activity or financial activity related to it;
2. the introduction of an independent definition of "*conditions equivalent to market or standard conditions*" and the provision

⁵³ See art. 4, paragraph 3, of the Related-Party Transactions Regulations.

- of a specific case in relation to any extensions of agreements, concessions or contracts, to which the Company or Group company is a party;
3. the characteristics of tenders submitted in response to an invitation to tender issued by Autogrill for the supply of goods or services from unrelated parties of adequate standing;
 4. the necessary appointment of an independent Director, taken from the minority list, if present, as a member of the RPT Committee;
 5. the removal of the clause that recalled the possibility for the independent expert of the RPT Committee to also be the Company's expert;
 6. a clarification in relation to the determination of the counter-value of RTPs, in order to exclude the value added tax from the calculation.

*Appointment and
Activities of the RPT
Committee*

On 25 May 2017, the Board of Directors appointed the Related-Party Transactions Committee currently in office, which is composed of Independent Directors Mr. Ernesto Albanese, Ms. Elisabetta Ripa and Mr. Francesco Umile Chiappetta (Coordinator of the Committee). It should be noted that two members of the RTP Committee (i.e. Mr. Francesco Umile Chiappetta and Mr. Ernesto Albanese) are directors from the minority list.

During the Year, the Related-Party Transaction Committee met 6 times (with an average duration of the meeting of 2 hours and 30 minutes approximately).

For the year 2018, the RPT Committee will be allocated 30,000 Euros for its ordinary operation, within the indicative limits of the amount allocated by the Board of Directors at its meeting on 19 December 2017, without prejudice to the absence of expenditure limits for the use of independent consultants by the Related-Party Transaction Committee, pursuant to art. 6.3.1 of the RPT Procedure.

The RPT Procedure is available for consultation in the Company's website (www.autogrill.com - Governance section).

13. APPOINTMENT OF STATUTORY AUDITORS

Composition and Powers of the Board of Statutory Auditors

Under art. 20 of the Bylaws, the Board of Statutory Auditors is made up of three Standing Auditors and two Alternate Auditors. Statutory Auditors may be re-elected.

Minority interests are reserved the right to elect one Standing Auditor and one Alternate Auditor.

The powers, duties and term of office of the Board of Statutory Auditors are as required by law.

Pursuant to the Bylaws⁵⁴, amended to implement the above-mentioned Board's Resolution, persons already holding positions in administration and control in other companies in excess of the numerical limit, or who do not have the statutory or legal requirements in terms of honourableness and professional skills to hold office may not be elected Standing Auditors and if elected forfeit office.

List-based Appointment of the Board of Statutory Auditors

The Board of Statutory Auditors is elected by the Shareholders' Meeting – who also fixes its remuneration – on the basis of lists presented by Shareholders in accordance with laws and regulation from time to time in force, even in connection with the regulations requiring balance between genders, containing a number of candidates not to exceed the number of auditors to elect, listed with a progressive number.

The list comprises two sections, one for Standing Auditor candidates and the other for Alternate Auditor candidates.

Each Shareholder, individually or with others, may only present one list and no candidate may run in more than one list, on penalty of ineligibility.

Entitlement to present Lists

Only Shareholders who individually or together hold shares amounting to at least 1.5% of the share capital or any lower share capital percentage fixed by law or regulations are entitled to present lists.

In this regard, we specify that, with Resolution No. 20273 of 24 January 2018, CONSOB established that the percentage required by art. 144-

⁵⁴ As amended by the resolution adopted on 27 September 2012 by the Board of Directors to assimilate the provisions of TUF introduced in 2011 and concerning equal access to the governing and control bodies of companies listed in regulated markets, and as most recently updated through the resolution adopted by the Board of Directors on 12 May 2016.

quarter of the Issuers' Regulations for the presentation of candidate lists for the election of Autogrill's governing and control bodies is 1%.

Statements by the candidates that they accept candidacy, that there are no causes of ineligibility or incompatibility and that they possess the requirements for holding the post prescribed by law and the Bylaws must be filed along with each list. A list which does not comply with the provisions illustrated above is considered as having not been presented.

A CV of each candidate adequately illustrating his or her professional and personal characteristics must be filed along with the statements.

Lists presenting a total number of candidates of three or more persons must include candidates of both genders so that at least one fifth of the candidates (for the first mandate after 12 August 2012)⁵⁵ and then one third (rounded up) of the candidates to the post of Standing Auditor and at least one fifth (for the first mandate after 12 August 2012) and then one third (rounded up) of the candidates to the post of Alternate Auditor belong to the less represented gender.

Statutory auditors are elected as follows:

- (a) 2 (two) Standing Auditors and 1 (one) Alternate Auditor are taken from the list obtaining the highest number of votes cast at the shareholders' meeting and in the progressive order in which they appear in the sections of the list;
- (b) the remaining Standing Auditor and the other Alternate Auditor are drawn from the list which obtained the second highest number of votes and is not connected in any way, even indirectly, with the shareholders that presented or voted the list that obtained the highest number of votes, in the progressive order in which they are indicated in the sections of the list. If more than one minority list obtain the same number of votes, the senior candidates by age in the standing and alternate sections of the list are elected;
- (c) if only one list is submitted, the Board of Statutory Auditors is drawn entirely from that list.

If the procedure detailed above does not allow the Board of Statutory Auditors to reach a composition, in terms of standing auditors, in accordance with current law concerning balance between genders, the necessary replacements will be made in the candidates to the post of

⁵⁵ The first mandate, for Autogrill, was conferred by the Shareholders' Meeting on 28 May 2015.

Standing Auditor of the list that obtained the highest number of votes, or from a sole list, according to the progressive listing sequence of the candidates.

The chairperson of the Board of Statutory Auditors is appointed by the Shareholders' Meeting in accordance with the provisions of current law.

*Forfeiture and
Replacement of
Statutory Auditors*

If a Statutory Auditor's requirements under the law and the Bylaws cease to obtain, he or she shall forfeit office.

If a Statutory Auditor has to be substituted for, he or she is replaced by the Alternate Auditor from the same list and may also, if necessary, assume the functions of chair.

The replacement procedures described in the previous paragraphs must in any case ensure compliance with the legislation on balance between genders.

The foregoing provisions disciplining the election of Statutory Auditors do not apply if the Shareholders' Meeting is convened to appoint standing and/or alternate Auditors or the chair, as allowed by law, as a result of substitution or forfeiture. In such cases, the Shareholders will pass a resolution on a relative majority, subject to the principle indicated in art. 20, paragraph 2, of the By-laws (that reserves the minority's right to elect one Standing Auditor and one Alternate Auditor) and compliance with the applicable legislation on balance between genders.

14. COMPOSITION AND OPERATION OF THE BOARD OF STATUTORY AUDITORS

*Appointment and
Composition of the
Board of Statutory
Auditors in Office*

The current Board of Statutory Auditors was elected by list vote at the ordinary Shareholders' Meeting on 28 May 2015 and will remain in office until the Meeting that will be convened to approve the Draft Financial Statements.

In particular, the Standing Auditors Ms. Antonella Carù and Eugenio Colucci and Alternate Auditor Ms. Patrizia Paleologo Oriundi were elected from the list submitted by the majority shareholder Schematrentaquattro with voting rights representing a percentage of 53.144% on the entire share capital.

Standing Auditor Mr. Marco Rigotti and Alternate Auditor Mr. Roberto Miccù were elected from the minority list submitted by 13 investment fund managers with voting rights representing 13.623% on the entire share capital.

The Standing Auditor Mr. Marco Rigotti was simultaneously appointed as chairperson of the Board of Statutory Auditors.

The above-mentioned composition of the Board of Statutory Auditors did not change until the date of this Report.

Remuneration

The ordinary Shareholders' Meeting held on 28 May 2015 established that the remuneration for each of the years 2015-2016-2017 for the chairperson of the Board of Statutory Auditors will be a lump-sum all-inclusive amount of Euro 75,000 and for each of the other two Standing Auditors a lump-sum all-inclusive amount of Euro 50,000. The amount of the fees paid to each Auditor in the Business Year is specified in the Remuneration Report.

In particular, the remuneration of Statutory Auditors was commensurate with the commitment required, the importance of the role played, and the size and sector-specific characteristics of the Company, in line with the application criterion 8.C.3. of the Self-Regulatory Code.

Further details on the Board of Statutory Auditors can be found in Table 3 in the appendix.

The personal and professional profiles of each Auditor are given below.

Curricula Vitae of the Statutory Auditors in Office

Marco Rigotti

Chairperson of the Board of Statutory Auditors

Born in Milan in 1967 he obtained his Degree in Business Economics from the Commercial University Bocconi of Milan in 1992 and has been registered in the "Albo dei Dottori Commercialisti" (register of professional accountants) since 1993 and in the register of Auditors since 1999.

Between 1995 and 1998, he worked at CONSOB, where he carried out surveys on insider trading practices and the manipulation of share prices. At present, he operates his own firm in Milan, where he specializes in conducting control activities at important listed groups. As representative of the controlling shareholder, he led the process of relaunching of Air Italy and the implementation of the partnership with Qatar Airways. He chairs the Boards of Directors of the company managing the airport of Olbia, Geasar S.p.A.

He also conducts research activities with the Department of Legal Studies A. Sraffa of the Bocconi University, where he also teaches business law as temporary lecturer. He authored many scientific publications on company law and the financial markets.

Eugenio Colucci

Standing Auditor

Born in Lucera (FG) in 1946, he graduated in economics and business at L. Bocconi University in Milan.

He has been on the register of Auditors since it was formed.

He started his career in 1969, with Arthur Andersen, where he became a partner in 1982 and was Audit Partner, chairperson of the Committee on Professional Standards, Practice Director for Italy (1989 onwards), for Luxembourg (1994 onwards) and for Greece. He was also Professional Practice Director in the company formed by the integration of Arthur Andersen and Deloitte. Since 2004, he has been working as independent contractor. From May 2002 to April 2005 he was a member of the Executive Committee of the Organismo Italiano di Contabilità (Italian accounting standards organization).

He has chaired the Board of Statutory Auditors of IFIL from 2008 until its merger with EXOR (parent company of Fiat-Chrysler), and later served as Director and chairperson of the Control and Risk Committee of EXOR until 2012. He has also held the office of chairperson of the Board of Statutory Auditors of Assicurazioni Generali S.p.A. from 2008 to 2013.

He has been a Standing Auditor of the Board of Statutory Auditors of Autogrill since April 2009 and he chairs the Boards of Statutory Auditors of Autogrill Italia S.p.A. and Autogrill Europe S.p.A. for the three-year period 2018-2020.

Antonella Carù

Standing Auditor

Born in Varese in 1961. She graduated in Business Economics at the Bocconi University, Milan, in 1986 (with a specialization in Administration and Control), and obtained her PhD in Business Economics in 1993.

She is full professor of Economics and Business Administration at the Bocconi University, where she has been holding the office of Dean of the Graduate School since November 2014. At the same University, she served as Dean of the Undergraduate School (November 2012 - October 2014) and Director of the Master of Science course in Marketing Management (from 2004 to 2012). She is also Senior Teacher at the SDA Bocconi School of Management.

She was Visiting Professor at CBS - Copenhagen Business School; ESCP-EAP in Paris; Université Jean Moulin in Lyon; and Visiting Scholar at HEC Montréal.

She is the author of many monographs and several papers published in national and international scientific journals.

She is a chartered accountant registered on the register of Auditors.

Since 1 August 2017 she is Standing Auditor in Pirelli & C. S.p.A., where she had already held this office from 10 May 2012 to 15 March 2016 and she is a member of the Board of Directors of the same company since 26 July 2012. She has also been Standing Auditor in Autogrill since 28 May 2015.

She provides advisory and research services to industrial businesses, service companies and financial institutions.

Pursuant to art. 3 of Decree No. 162 of 30 March 2000, issued by the Justice Minister in concert with the Treasury Minister, on 18 June 2015, at the first useful meeting after the appointment of the current Board of Statutory Auditors, the Board has ascertained that the current members of the Board of Statutory Auditors fulfil the requirements laid down in art. 1 and 2 of the above Decree No. 162 of 30 March 2000. Specifically, the Statutory Auditors are enrolled in the register of accounting auditors and have practiced for at least three years.

During its meeting of 12 December 2007, the Board of Directors deliberated on the applicability of the same independence requirements set out for Directors also for the members of the Board of Statutory Auditors. For these requirements, see section 4.6 above in this Report. A similar provision was also introduced in the Autogrill Code⁵⁶.

Diversity Policies

Since the renewal of Autogrill's corporate bodies in 2014, the composition of the Company's Board of Statutory Auditors has been balanced in terms of gender representation, as required by Law No. 120 of 12 July 2011 (the "**Law 120/2011**"), TUF and CONSOB Resolution No. 18098/2012. In particular, the Law 120/2011 provides that, for the first renewal of the administrative and control bodies one year after the date of its entry into force, at least one fifth of the Directors and Standing Auditors elected and at least one third in the following two terms shall be reserved for the less represented gender. On the occasion of the renewal of the bodies in 2015, the Shareholders' Meeting of Autogrill appointed a female member for the Board of Statutory Auditors, namely Ms. Antonella Carù, i.e. one third of the total, in compliance with the provisions of the Law 120/2011. In addition, both genders are also represented in the control bodies of the Italian subsidiaries Autogrill Europe, Autogrill Italia and Autogrill Servizi, appointed for the three-year period 2018-2020.

Reference should also be made to page 39 and following of this Report concerning the provisions of the Bylaws that require Autogrill to ensure and maintain gender balance.

Autogrill has not yet adopted instead a specific diversity policy pursuant to article 123-*bis*, paragraph 2, letter d-*bis* of TUF, since the

⁵⁶ See section 15.2 of the Autogrill Code.

processes for the formation of the Company's administrative and control bodies already take into account important aspects, such as age, gender composition and the training and professional path of the respective members.

*Annual Assessment
of the Independence
Requirements of
Statutory Auditors*

In compliance with the provision of the Self-Regulatory Code that recommends to annually ascertain that all the statutory auditors meet the independence requirements and to transmit the outcomes of such verifications to the Board of Directors, which - after the appointment - discloses them through a market release and later in the report on corporate governance⁵⁷, the current Board of Statutory Auditors ascertained the independence requirements - set forth in applicable laws and in the Self-Regulatory Code - of its members on 18 June 2015, 10 March 2016, 9 March 2017 and 8 March 2018 and reported to the Board of Directors the outcome of its verification.

*Other Functions of
the Board of
Statutory Auditors
and its Meetings*

The Board of Statutory Auditors supervises the independence of Independent Auditors, in compliance with our corporate policy, particularly as regards appointments that are incompatible with auditing activities.

For the performance of its tasks, the Board of Statutory Auditors cooperates with the Chief Internal Audit Executive and with the Control, Risk and Corporate Governance Committee. See section 11 of this Report above for more details on this issue.

The 14 meetings of Statutory Auditors held during the business year lasted 3 hours. Eleven meetings are scheduled for the current year, 3 of which have already been held.

At the present time, the Autogrill Code does not expressly contemplate that the Statutory Auditor, who - on his/her own or a third party's behalf - has an interest in a particular operation of the Issuer, informs in a timely and exhaustive manner the other Statutory Auditors and the Chairperson of the Board of Directors of the nature, terms, origin and scope of his/her interest, since the members of the Board of Statutory Auditors are required to comply with the application criterion 8.C.4. of the Self-regulatory Code also in the absence of an express provision of the Autogrill Code.

⁵⁷ See application criterion 8.C.1. of the Self-Regulatory Code. Please note that, according to paragraph IX of the "Guidelines and Transitional Regime" section of the Self-Regulatory Code in its July 2015 version: "As to the changes made to art. 8, issuers are encouraged to apply them from the first renewal of the supervisory body taking place after the end of the year beginning in 2015".

Induction program

As provided for by the Self-Governance Code⁵⁸, following the appointment of the Statutory Auditors that are currently in office and during their mandate, induction sessions have been arranged for Statutory Auditors with a view to providing them with adequate knowledge of the Company's business, proper risk management principles, legal and regulatory reference framework and corporate dynamics. Furthermore, Statutory Auditors are always invited to participate in the induction meetings attended by the Directors.

⁵⁸ See the application criterion 2.C.2. of the Self-Regulatory Code.

15. RELATIONS WITH THE FINANCIAL MARKET

The interest of the Group in establishing and maintaining a continuous dialogue with the financial market stakeholders led the creation of the Investor Relations Function in 1997. The aim of this function is to illustrate to institutional investors and financial analysts the strategy pursued by Autogrill, the objectives and results achieved.

On the one hand, this activity is translated into a constant contact with investors and analysts and, on the other, in a constant collaboration with other corporate functions to process all the information material that the Group prepares to better interact with the financial market.

All the information material either required by statutory obligations - e.g. Company's accounting documents, financial releases, procedures and codes – or drawn up on a voluntary basis in order to improve the communication process is posted in the Company's website (*www.autogrill.com*). To this end, the website of Autogrill provides for a specific, easily identifiable and accessible "Investors" section, in which all information concerning the Company that is relevant to the financial community is available.

16. SHAREHOLDERS' MEETINGS

*Law and Statutory
Provisions*

Notice of Meeting, quorums, validity of resolutions voted, eligibility to participate and proxy voting are disciplined by the law.

Pursuant to art. 7, Bylaws, Shareholders' Meetings are called by posting a notice on the Company's website (www.autogrill.com) and in the manner required by law and regulations from time to time in force, with prior notice that may not be less than the minimum required by law in respect of the date fixed for the Shareholders' Meeting⁵⁹.

Shareholders representing at least 2.5% of the share capital, whether individually or jointly, may apply to the Company in the manner required by the law and regulations from time to time in force to add items to the agenda and must indicate the matters they propose for discussion in their written application. Notice of any additions proposed in accordance with current law is announced as and when required by the law and regulations from time to time in force.

The Shareholders controlling the Issuer have never asked to integrate the proposals on the Shareholders' Meeting agenda as regards the topics for which Directors had not formulated a specific proposal.

In order to facilitate Shareholders, the exercise of said right, as well as, more generally, the dialogue with the Company, a dedicated electronic mail address has been opened: societario@autogrill.net.

*Shareholders'
Meetings
Regulations*

Meetings are conducted according to the rules for Shareholders' Meetings approved by the Shareholders' Meeting, on a motion by the Board of Directors, on 27 April 2004 and modified by Shareholders' resolution on 21 April 2011 (the "**Shareholders' Meetings Regulations**").

In the course of the last meeting held on 20 December 2012, the Board of Directors examined the new recommendations contained in the comment to art. 9 of the Self-Regulatory Code and, upon the Control, Risk and Corporate Governance Committee's proposal, deliberated on putting off any further assessment of possible changes

⁵⁹ In an extraordinary session on 21 April 2011, the Shareholders' Meeting voted to make the mandatory modifications to the Bylaws needed to reflect current provisions of law and regulations as modified by Legislative Decree No. 27 of 27 January 2010, which enforced the European Shareholders' Rights Directive in Italy.

Such modifications were mostly to art. 7 and 8 of the Bylaws and provide that meetings in ordinary and extraordinary session may be held in a single call pursuant to the new paragraph 1 in art. 2369 CC.

Art. 11 of the Bylaws was also modified to provide, pursuant to art. 123-ter, TUF, for the power of the Shareholders' Meeting to express itself, albeit in a non-binding form, for or against the remuneration policies for Directors, general managers and executives with strategic responsibilities and on the procedures used to adopt and implement these policies.

to the meeting regulations to a next meeting because the current regulations were deemed to be sufficiently compliant with the provisions of the Self-Regulatory Code.

The Shareholders' Meeting Regulations are available for consultation in the Company's website (www.autogrill.com - Governance section).

In particular, the Shareholders' Meeting Regulations require that, upon opening a Shareholders' Meeting, the Chairperson should fix the maximum duration of each speech, usually not exceeding 15 minutes. The Meeting Chairperson may invite speakers to conclude if they go beyond the fixed time limit or digress from the subjects on the agenda and prevent inappropriate behaviours also by suspending the right to speak or, in more serious cases, by having the person/s removed from the room for the remainder of the discussion. A shareholder expelled in this way may appeal to the Meeting, which will vote with a majority of the share capital represented at the Meeting.

Requests to address the Meeting on individual items on the agenda may be made to the chairperson's office upon constitution of the Meeting and up to such time as the Meeting Chairperson opens the discussion on each item on the agenda. In granting the floor, the Meeting Chairperson usually follows the order in which requests were submitted. A shareholder may only speak once on each point in the agenda.

The Shareholders' Meeting is the official opportunity for Directors and Shareholders to meet and discuss matters.

Eight Directors attended the Meeting held on 25 May 2017, and, upon the Shareholders' request, information was made available on the Company's performance and on the items on the agenda. During that meeting, the shareholders also received the documents and information required by applicable law (already made public) within the legal term at Autogrill's registered office and secondary offices, as well as at Borsa Italiana S.p.A. and in Autogrill's website (www.autogrill.com – Governance section, Shareholders' Meeting).

*Meetings held in
2017*

17. ADDITIONAL CORPORATE GOVERNANCE PRACTICES

Autogrill does not apply corporate governance practices over and above those required by law and regulations other than the ones indicated in this Report.

Details on the Strategies and Investments Committee and the organization Model No. 231 may be found in sections 6 and 11.3.

18. CHANGES AFTER THE CLOSE OF THE REFERENCE BUSINESS YEAR

From the Reorganization Effective Date, Autogrill carried out a Reorganization Operation aimed at separating the Group's centralized guidance and management activities from the Food & Beverage operational activities in Italy and from the coordination and service functions performed by the Company for its European subsidiaries. In particular, through this Reorganization Operation, Autogrill mainly intended to pursue the following objectives:

- a) redefine the corporate structure of the Group in line with its highly international and multi-channel nature and with its current organizational structure;
- b) ensure a governance that is increasingly responsive to the needs of an efficient and effective management of individual businesses;
- c) communicate the Group's positioning more clearly to investors, fostering an even better understanding of individual business areas; and
- d) allow greater flexibility to the Group in order to focus management on the specific objectives of individual areas and the identification of possible structural efficiencies and to better develop any alliances/joint ventures in the various business areas.

*Reorganization
Operation
Procedure*

The Reorganization Operation was carried out through the contribution in kind of three corporate lines of business owned by Autogrill to three companies whose share capital is entirely held by Autogrill: Autogrill Italia, Autogrill Europe and Autogrill Servizi, to pay for capital increases approved by these companies. In particular, the following lines of business were transferred:

1. Italian Business

The Italian Business is responsible for the management of catering services, the distribution of fuels and lubricants and ancillary activities in mobility infrastructures, urban centres, shopping centres and outlets in Italy. In addition, the Italian Business includes the typical management and coordination activities supporting the business, such as, especially, the monitoring activities for the following areas: logistics and operations, purchasing, commercial support, development and

management of the relationship with property owners, maintenance, investments and infrastructures, safety, quality, marketing, human resources, administration, finance and control, and legal affairs.

With effect from the Reorganization Effective Date, the Italian Business was contributed to Autogrill Italia, as provided for in the deed of contribution entered into on 15 December 2017 in full payment of the capital increase carried out pursuant to article 2481-*bis* of the Italian Civil Code for a total price of Euro 156,498,497 approved by the Shareholders' Meeting of Autogrill Italia on 15 December 2017, reserved for and fully subscribed by Autogrill.

2. European Business

The European Business is in charge of: (i) the structures responsible for coordinating the activities and managing general services in Southern Europe and Continental Europe (including Italy); and (ii) the 100% equity interests previously directly held by Autogrill, in the companies Autogrill Austria GmbH (Austria), Autogrill België NV (Belgium), Autogrill Czech s.r.o. (Czech Republic), Holding de Participations Autogrill S.a.s. (France), Autogrill Deutschland GmbH (Germany), Autogrill Hellas Single Member Limited Liability Company (Greece), Autogrill Polska Sp. z o.o. (Poland), Autogrill gostinstvo in trgovinad.o.o. (Slovenia), Autogrill Iberia S.L.U. (Spain) and Autogrill Schweiz A.G. (Switzerland). In particular, the coordination structure of the European Business carries out activities in the following areas: marketing, purchasing, engineering and construction, business development, human resources, management and treasury control, legal and corporate affairs and internal audit.

With effect from the Reorganization Effective Date, the European Business was contributed to Autogrill Europe, as provided for in the deed of contribution entered into on 15 December 2017 in full payment of the capital increase carried out pursuant to article 2481-*bis* of the Italian Civil Code for a total price of Euro 333,176,172 approved by the Shareholders' Meeting of Autogrill Europe on 15 December 2017, reserved for and fully subscribed by Autogrill.

3. Services Business

The Services Business is concerned with providing support and shared services to Group companies. In particular, the Services Business is mainly involved in providing: (i) information and communication technology services; (ii) administration and accounting services; and

(iii) payroll processing services and related obligations connected with personnel management.

With effect from the Reorganization Effective Date, the Services Business was contributed to Autogrill Servizi, as provided for in the deed of contribution entered into on 15 December 2017 in full payment of the capital increase carried out pursuant to article 2481-*bis* of the Italian Civil Code for a total price of Euro 3,203,815 approved by the Shareholders' Meeting of Autogrill Servizi on 15 December 2017, reserved for and fully subscribed by Autogrill.

*Significant Effects of
the Reorganization
Operation*

As a result of the Reorganization Operation, Autogrill mainly operates as an industrial holding company of the Group and controls the Transferees directly and, indirectly through Autogrill Europe, the companies belonging to the European Business. The following Group functions still fall within the competence of Autogrill:

- (a) strategic guidance and coordination;
- (b) administration, finance, control and enterprise risk management;
- (c) relations with the investors;
- (d) legal, corporate and regulatory functions;
- (e) communication;
- (f) public affairs;
- (g) strategic marketing;
- (h) group engineering & procurement;
- (i) human resources and organization;
- (j) internal audit;
- (k) corporate social responsibility.

19. CONSIDERATIONS ON THE LETTER OF 13 DECEMBER 2017 FROM THE CHAIRPERSON OF THE CORPORATE GOVERNANCE COMMITTEE

The recommendations made in the letter sent on 13 December 2017 by the Chairperson of the Corporate Governance Committee were brought to the attention of the Lead Independent Director, who took them into account during the meetings held with the Independent Directors to carry out the Board evaluation, and to the attention of the Board of Directors during the meeting held on 8 March 2018, as well as, as regards the aspects falling within their respective competence, to the attention of the Control, Risk and Corporate Governance Committee on 1 March 2018 and of the Human Resources Committee on 6 March 2018.

First of all, with regard to the opportunity to ensure full transparency on the timeliness, completeness and usability of the pre-board meeting information package, providing timely indications on the compliance with the deadlines deemed appropriate for the submission of the documents, the Board of Directors noted that, as better described in paragraph 4.3 above, the transmission of the documents required for the discussion of the items on the agenda of the Board of Directors' meetings is carried out by the Secretary of the Board of Directors, who sends the documents reasonably in advance of the date of the meetings and, generally, in compliance with the deadlines identified as adequate, also taking into account possible requirements of confidentiality and urgency relating to certain matters. In this regard, it should be noted that the pre-board meeting information package was facilitated by the creation of a section in the company intranet with access reserved for the members of the Board of Directors and of the Board of Statutory Auditors. During the Year, the three-day deadline set by the Autogrill Code for the transmission to the Board of Directors of the documents required from time to time for the discussion of the items on the agenda was generally met and, in cases where it was not possible to transmit the material relating to a meeting within that deadline, the necessary, adequate and timely, details were ensured during the Board sessions. It should also be noted that the completeness and usability of Autogrill's pre-board meeting information package is considered to be among the "best-in-class" compared to other comparable pre-board meeting information packages.

The second critical area, which was identified in the aforementioned letter and that concerns the appropriateness of: (i) assigning greater weight to long-term variable components in remuneration policies; (ii) introducing claw-back mechanisms; and (iii) defining criteria and procedures for the assignment of any severance indemnity, was specifically discussed during several meetings of the Human Resources Committee. In this regard, it should be noted that, as more fully described in paragraph 9 above, the Company's current remuneration policies:

- (a) already give significant weight to long-term variable components, in line with the characteristics of the Company's business and the related risk profiles;
- (b) provide for claw-back mechanisms, which allow the Company to demand the repayment, in whole or in part, of variable components of the remuneration paid (or to withhold sums subject to deferment), determined on the basis of data that have subsequently proven to be manifestly incorrect⁶⁰; and
- (c) provide for specific criteria and procedures regarding severance indemnities, which allow determining any indemnity envisaged for the termination of the directorship relation in such a way that its total amount does not exceed a certain amount or number of years of remuneration and not to pay such indemnity if the termination of the relationship is due to the achievement of objectively inadequate results attributable to the Director⁶¹.

With reference to the third critical area identified in the letter, relating to the establishment of a nomination committee and the appropriateness of clearly distinguishing the functions of the nomination committee if it is unified with the remuneration committee, for the reasons detailed in paragraph 7 above, the Board of Directors confirmed its approach, as well as its intention not to establish a nomination committee and to reserve its functions to the entire Board of Directors, as permitted by the application criterion 4.C.2 the Self-Regulatory Code. In this regard, however, it should be noted that this choice complies with the provisions of the application criterion 4.C.2 of the Self-Regulatory Code in that all the conditions set forth therein are met, including the circumstance that "*the independent*

⁶⁰ See paragraph 10.3(a)(vi) of the Autogrill Code. This prediction literally reproduces the text of the application criterion 6.C.1.f) of the Self-Regulatory Code.

⁶¹ See paragraph 10.3(a)(vii) of the Autogrill Code that assimilates the application criterion 6.C.1.g) of the Self-Regulatory Code.

directors represent at least half of the Board of Directors". In any case, in the framework of the periodic evaluations and discussions about this decision, the Board of Directors intends to take into consideration the recommendations made on this point by the Corporate Governance Committee.

With reference to the fourth critical area, which consists in the opportunity to provide for concrete succession plans for executive directors in order to ensure management continuity and stability and to guarantee its transparency, the Board of Directors noticed that the system put in place by the Human Resources Management is such as to ensure timely replacement of the Managing Director in the event of his/her leaving office.

With regard to the fifth critical area, concerning the importance of independent directors in the process of forming the Board's will and the ensuing importance of strengthening independence assessments, it should be noted that, for the purposes of the independence assessments, Autogrill has not set aside any of the application criteria set out in the Self-Regulatory Code. In this regard, it should be noted that, following the most recent assessment of independence carried out on 8 March 2018, it was confirmed that seven of the thirteen Directors in office meet the independence requirements set forth in paragraph 3.1 of the Autogrill Code and in the combined provisions of Articles 147-ter, paragraph 4, and 148, paragraph 3, of TUF, as further described in paragraph 4.6 above.

Finally, with reference to the sixth critical area highlighted in the letter and concerning the importance of envisaging structured procedures for board review activities and the recommendation made to the boards of directors to also carry out assessments in this context of the effectiveness of their operation and the *"contribution of the Board to the definition of strategic plans and monitoring of management performance and the adequacy of the internal control and risk management system"*, it should be noted that the Board of Directors made an express assessment of the effectiveness of its overall operation. The outcome of this assessment proved that the Board of Directors is well structured and that there is an excellent level of compliance with regard to the contribution to the definition of strategic plans and monitoring of management performance and the adequacy of the internal control and risk management system.

TABLES

TABLE 1: SIGNIFICANT STAKES IN THE SHARE CAPITAL

Reference date: 8 March 2018			
Informant	Direct Shareholder	Share % of ordinary share capital	Share % of voting capital
Edizione S.r.l.	Schematrentaquattro	50,100	50,100
Norges Bank	Norges Bank	3,001	3,001

TABLE 2: STRUCTURE OF THE BOARD OF DIRECTORS AND COMMITTEES

Board of Directors												Control, Risk and Corporate Governance Committee		Human Resources Committee		Strategy and Investment Committee		Related-Party Transaction Committee		
Office	Member	Year of birth	Date of first appointment *	In office since	In office till	List **	Exec.	Non-exec.	Indep. purs. to Code	Indep. purs. to TUF	Number of other offices ***	(*)	(*)	(**)	(*)	(**)	(*)	(**)	(*)	(**)
Chairperson	Gilberto Benetton	1941	19/05/1997	25/05/17	Approval of accounts at Dec. 31, 2019	M		X			0	10/10								
Chief Executive Officer (a) (b)	Gianmario Tondato Da Ruos	1960	24/03/2003	25/05/17	Approval of accounts at Dec. 31, 2019	M	X				1	10/10								
Director	Ernesto Albanese	1964	28/05/2014	25/05/17	Approval of accounts at Dec. 31, 2019	m		X	X	X	1	9/10							6/6	M
Director	Alessandro Benetton	1964	19/05/1997	25/05/17	Approval of accounts at Dec. 31, 2019	M		X			0	9/10								
Director	Franca Bertagnin Benetton	1968	25/05/2017	25/05/17	Approval of accounts at Dec. 31, 2019	M		X			0	6/10								
Director	Francesco Umile Chiappetta	1960	28/05/2014	25/05/17	Approval of accounts at Dec. 31, 2019	m		X	X	X	1	9/10	9/9	M					6/6	M
Director	Cristina De Benetti	1966	25/05/2017	25/05/17	Approval of accounts at Dec. 31, 2019	M		X	X	X	3	6/10	5/9	P						
Director (c)	Massimo Di Fasanella D'Amore Di Ruffano	1955	7/03/2012	25/05/17	Approval of accounts at Dec. 31, 2019	M		X	X	X	0	10/10			6/7	M	5/5	M		

Board of Directors												Control, Risk and Corporate Governance Committee			Human Resources Committee		Strategy and Investment Committee		Related-Party Transaction Committee	
Office	Member	Year of birth	Date of first appointment *	In office since	In office till	List **	Exec.	Non-exec.	Indep. purs. to Code	Indep. purs. to TUF	Number of other offices ***	(*)	(*)	(**)	(*)	(**)	(*)	(**)	(*)	(**)
Director	Marco Patuano	1964	26/01/17	25/05/17	Approval of accounts at Dec. 31, 2019	M		X			0	10/10					5/5	P		
Director	Maria Pierdicchi	1957	25/05/2017	25/05/17	Approval of accounts at Dec. 31, 2019	M		X	X	X	1	6/10			4/7	P				
Director	Elisabetta Ripa	1965	25/05/2017	25/05/17	Approval of accounts at Dec. 31, 2019	M		X	X	X	0	6/10					3/5	M	5/6	M
Director	Paolo Roverato	1963	23/04/2008	25/05/17	Approval of accounts at Dec. 31, 2019	M		X			0	10/10	8/9	M	6/7	M	0/0	M		
Director	Catherine Gérardin Vautrin	1959	25/05/2017	25/05/17	Approval of accounts at Dec. 31, 2019	M		X	X	X	2	5/10					3/5	M		
-----DIRECTORS LEAVING OFFICE IN REFERENCE PERIOD-----																				
Director	Tommaso Barracco	1951	21/04/2011	28/05/14	Approval of accounts at Dec. 31, 2016	M		X	X	X	0	4/10					2/5	M		
Director	Carolyn Dittmeier	1956	10/04/2013	28/05/14	Approval of accounts at Dec. 31, 2016	M		X	X	X	3	4/10	4/9	P					0/0	M
Director	Giorgina Gallo	1960	28/05/2014	28/05/14	Approval of accounts at Dec. 31, 2016	M		X	X	X	3	4/10					2/5	M	0/0	M
Director (c)	Stefano Orlando	1948	21/04/2011	28/05/14	Approval of accounts at Dec. 31, 2016	M		X	X	X	0	4/10			3/7	P			0/0	M
Director	Neriman Ülsever	1953	28/05/2014	28/05/14	Approval of accounts at Dec. 31, 2016	M		X	X	X	0	4/10								
Number of meetings held in reference year: 10						Control, Risk and Corporate Governance Committee: 9				Human Resources Committee: 7		Strategy and Investment Committee: 5			Related-Party Transaction Committee: 6					

Quorum required for the lists submitted by minority shareholders for the appointment of one or more members (pursuant to art. 147-ter of TUF): 1%

NOTES

(a) This symbol means the Control and Risk Management System Director.

(b) This symbol means the main person in charge of the management of the issuer (Chief Executive Officer or CEO).

(c) This symbol means the Lead Independent Director (LID).

* The date of first appointment of each director means the date, on which the director was appointed for the first time (in absolute terms) to serve in the Board of Directors of the issuer.

** This column shows the list, to which each director belongs ("M": Majority list; "m": minority list).

*** This column shows the number of offices held as Director or Auditor in other companies listed on regulated markets, including foreign markets, in financial, banking, insurance companies or companies of significant size. In the Corporate Governance Report, the tasks are indicated in full. It should be noted that, as regards the Directors who ceased to hold office during the year under review, the number of other offices is updated as of the date of approval of the 2016 Corporate Governance Report.

according to the guidelines adopted by the Board of Directors, as indicated in paragraph 4.2 of this Report.

(*) This column shows the director's attendance at the meetings of BoD and Committees respectively (number of meetings actually attended out of total meetings that the director was expected to attend in his/her capacity as member; e.g. 6/8; 8/8, etc.).

(**) This column shows the office of the director within the Committee: "P": chairperson; "M": member.

List of Directors' offices

The table below details the positions held by Directors in other companies as of the date of this Report, according to the criteria adopted by Autogrill's Board of Directors, as indicated in section 4.2 of this Report.

Director	Office	Company
Gilberto Benetton	[-]	
Gianmario Tondato da Ruos	Independent Director	International Game Technology PLC
Ernesto Albanese	Director	Geox S.p.A.
Alessandro Benetton	[-]	
Francesco Umile Chiappetta	Director	Armònia Sgr
Massimo Di Fasanella D'Amore Di Ruffano	[-]	
Marco Patuano	[-]	
Paolo Roverato	[-]	
Franca Bertagnin Benetton	[-]	
Cristina De Benetti	Director	UnipolSai S.p.A.
	Director	Autostrade Meridionali S.p.A.
	Director	UnipolBanca S.p.A.
Catherine Gérardin Vautrin	Director	Davide Campari-Milano S.p.A.
	Director	YNAP
Maria Pierdicchi	Director	Luxottica S.p.A.
Elisabetta Ripa	[-]	

TABLE 3: STRUCTURE OF THE BOARD OF STATUTORY AUDITORS

Board of Statutory Auditors									
Office	Member	Year of birth	Date of first appointment *	In office since	In office until	List (M/m) **	Independence pursuant to Code	Attendance at Board meetings ***	No. of other offices ****
Chairperson	Marco Rigotti	1967	19/04/2012	28/05/2015	Approval of accounts at Dec. 31, 2017	m	X	13/14	0
Standing auditor	Antonella Carù	1961	28/05/2015	28/05/2015	Approval of accounts at Dec. 31, 2017	M	X	13/14	2
Standing auditor	Eugenio Colucci	1946	21/04/2009	28/05/2015	Approval of accounts at Dec. 31, 2017	M	X	13/14	2
Alternate auditor	Patrizia Paleologo Oriundi	1957	28/05/2015	28/05/2015	Approval of accounts at Dec. 31, 2017	M	X		
Alternate auditor	Roberto Miccù	1965	28/05/2015	28/05/2015	Approval of accounts at Dec. 31, 2017	m	X		
Number of meetings held in reference year: 14									
Quorum required for the lists submitted by minority shareholders for the appointment of one or more members (pursuant to art. 148 of TUF): 1%									

NOTES

* The date of first appointment of each auditor means the date on which the auditor was appointed for the first time (in absolute terms) to serve in the Board of Statutory Auditors of the issuer.

** This column shows the list to which each auditor belongs ("M": majority list; "m": minority list).

*** This column shows the auditor's attendance at the meetings of the Board of Statutory Auditors (number of meetings actually attended out of total meetings that the auditor was expected to attend in his/her capacity as member; e.g. 6/8; 8/8, etc.).

**** This column shows the total number of offices held as Director or Auditor according to art. 148-bis of TUF and the relevant implementation provisions in CONSOB Regulations for Issuers. The complete list of offices is published by CONSOB in its website pursuant to art. 144-*quinquiesdecies* of CONSOB Regulations for Issuers.