



2015
Corporate Governance and Ownership Report

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

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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 12 February 2015.

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

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, most recently with Extraordinary Shareholders' Meeting Resolution of 6 June 2013.

CEO: the Managing Director/Chief Executive Officer of Autogrill.

Chief 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.

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 the Board of Directors.

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").

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

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 majority shareholder of Autogrill, Schematrentaquattro S.p.A., for the appointment of the new members of the Board of Directors, as decided by the Shareholders' Meeting on 28 May 2014.

List B: the list of 2 candidates presented by 14 shareholders–investment fund administrators for the appointment of the new members of the Board of Directors, as decided by the Shareholders’ Meeting on 28 May 2014.

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: the organisation, management and control model required by Legislative Decree 231/ 2001, adopted by the Board of Directors on 6 November 2002, as subsequently amended and supplemented, most recently on 12 December 2013.

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

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.

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 most recently amended on 13 May 2014.

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.

Shareholders: Autogrill's Shareholders.

Stock Option Plan or **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.

Subsidiaries of strategic importance: subsidiaries identified by the Board of Directors from time to time as having a strategic importance.

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 231/2001.

Sustainability Report or **Report:** the report on the activities and projects carried out by the Group during the year and aimed at sustainable development. The Sustainability Report is drawn up in compliance with the "G4 Sustainability Reporting Guidelines" published in 2013 by the *Global Reporting Initiative* (GRI), according to the "Core" application level.

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 2015 referred to in this Report.

1. PROFILE OF ISSUER

Introduction

*Autogrill Group
and its Mission*

Autogrill S.p.A. ("**Autogrill**" or the "**Company**") is the parent of a complex international group operating across 4 continents and with about 57,000 collaborators (the "**Group**" or "**Autogrill Group**"). Autogrill Group is the first global leader in the travel catering licence services, with sales channels mainly in 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.

Business Purpose

Bylaws

Pursuant to art. 2 of Autogrill's Bylaws (the "**Bylaws**"), as recently amended by the Shareholders' Meeting during the extraordinary meeting of 19 April 2012, 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 taxes 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

Corporate Bodies

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

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

Alongside these corporate bodies are:

Committees and Functions

- the Financial Reporting Manager, appointed pursuant to art. 154-*bis* of TUF and art. 18 of the Bylaws (the "**Financial Reporting Manager**");
- 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 **Strategy and Investment Committee** (also, briefly, the "**SI Committee**"), set up within the Board of Directors with effect from 21 April 2011;
- 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-

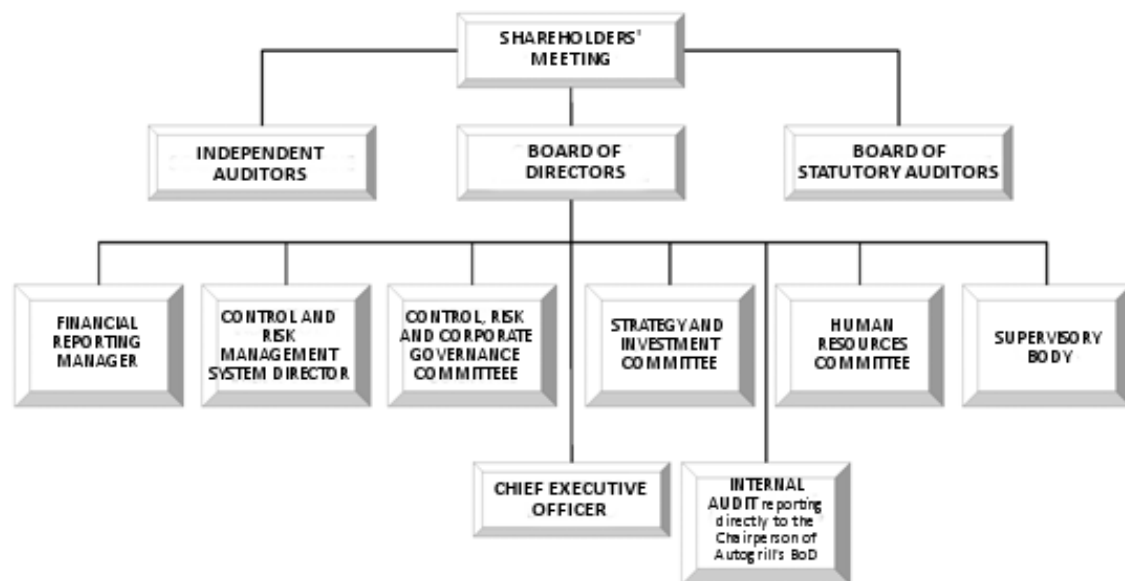
Regulatory Code (hereinafter, the “**Control and Risk Management System Director**”);

- the person in charge with the internal auditing function of Autogrill (the “**Chief Audit Executive**”), originally appointed as Internal Control Manager and then confirmed as Chief Audit Executive pursuant to the application criterion 7.5.C of the Self-Regulatory Code; and
- 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**”).

Statutory Auditing

The statutory auditing of Autogrill’s accounts is done by Deloitte & Touche S.p.A.

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



Operational Organization

The Autogrill Group’s operational organization reflects its multinational character.

Chief Executive Officer

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

Responsibility for the Group's Business Areas

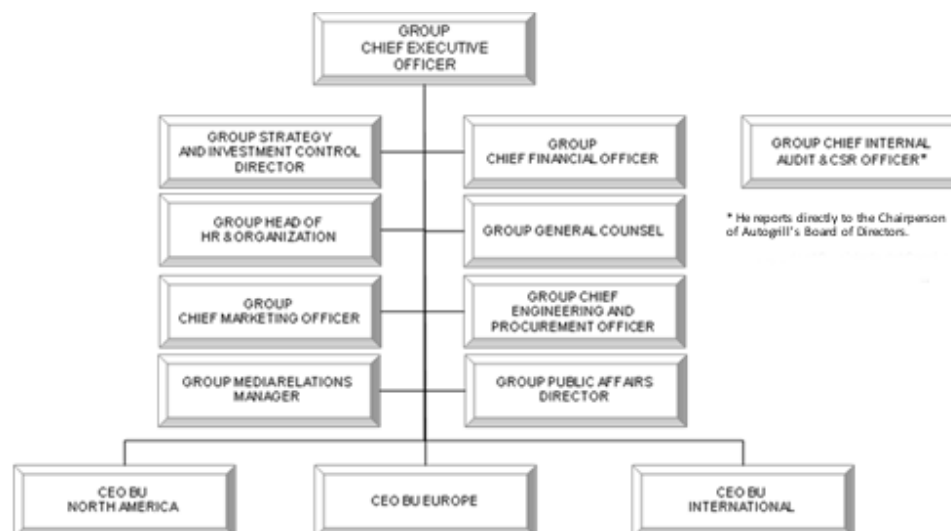
Responsibility for the Group's business areas can be summarized as follows:

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* - which also includes its predominating asset, the Italian business - operated by companies or company groups in each European country of presence.

The new CEO of the BU Europe

During the Business Year, in order to facilitate the implementation of the actions required to achieve growth objectives in terms of profitability, investments and consolidated sales, the Company established and added the function of Chief Executive Officer of the European business area to its organizational and operational model. It is a professional figure, who hierarchically reports to the Group's Chief Executive Officer and who is responsible for this business area that gathers the Operations (operational functions) and the core functions of this area (no longer included within corporate functions).

The new Group's operational organization as of 31 December 2015 is illustrated in the chart below:



The Group Strategy and Investment Control function was created in 2015.

Sustainability Report

Every year since 2005, Autogrill posts a Sustainability Report (hereinafter the "**Sustainability Report**") in its website (www.autogrill.com - Sustainability Section).

The Sustainability Report is drawn up in compliance with the international guidelines of the *Global Reporting Initiative*, according to the Core option of its latest version, GRI G4.

This Sustainability Report is a tool aimed at encouraging systematic forms of dialogue with the Company's stakeholders on objectives, performed activities and results achieved in the economic, social and environmental spheres, and at sharing and spreading a sustainability culture throughout the enterprise.

*Systematic Forms
of Dialogue with
the Stakeholders*

2. INFORMATION ON OWNERSHIP AS AT THE REPORT DATE

a) Structure of the Share Capital

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

Categories of shares comprising the share capital:

Ordinary Shares

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	As per law and Bylaws

*Other Financial
Instruments*

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

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, 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**" or the "**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, 136,947 options out of the 710,161 options matured according to the Stock Option Plan regulations are still in circulation, and they can be exercised not later than 30 April 2018. They grant the right to subscribe for or purchase as many Autogrill shares at the price indicated in the Stock Option Plan regulations.

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 10 March 2016 (the "**Remuneration Report**") and (iii) in the Company's draft financial statements for the year ended 31 December 2015, approved by the Board of Directors on 10 March 2016. The Information Document, the Remuneration Report and the 2015 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 securities nor limits on possession of them. There are no clauses requiring approval of access to share ownership.

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*

As a sub-licensee, Autogrill has signed many sub-licensing agreements for the management of catering services in motorway service areas and, in some cases, in airports. Most of these agreements forbid changes in control (“entry of new controlling shareholders in the sub-licensee’s ownership structure”) without prior authorization of the sub-licensor.

Referring to the agreements for motorway service areas, however, the authorization can only be denied 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

*Term Amortizing
and Revolving
Bank Loan
Agreement (600
million Euros)*

Autogrill is also party to a bank loan agreement consisting of an amortizing line of credit and a revolving line of credit for a maximum amount of euro 200 million and euro 400 million respectively, signed on 12 March 2015, which grants the bank, as is customary in 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 agreement, the “change of control” would take place when one or more entities – other than reference Shareholders – 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
(250 million USD)*

The revolving bank loan agreement for a current maximum amount of US\$ 250 million entered into in March 2013 by HMSHost Corporation, an entity headquartered in the United States and wholly owned by Autogrill, contains a similar control change clause, where a “change in control” occurs when one or multiple entities – other than reference Shareholders – 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.

*Variability of
Thresholds*

The aforesaid thresholds have been negotiated on the basis of financial advantage or flexibility criteria and may vary not only in

different agreements, but also based on the occurrence of certain contractually defined events.

Bonds

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

Starting from 22 April 2013, after agreements made with the borrowers, Autogrill is no longer the guarantor of its wholly owned subsidiary HMSHost Corporation's bonds resulting from bonded loans totalling US\$ 500 million as of 31 December 2015, 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 reference Shareholders, 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 envisaged 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 increase
the Share Capital for the
Stock Option Plan*

The ordinary shareholders' meeting of 20 April 2010 resolved to increase the share capital by payment to be made within and not later than 30 May 2015, through the issue of a maximum number of 2,000,000 ordinary shares for the Stock Option Plan. The date of 30 May 2015 has expired but no new shares were issued for the Stock Option Plan.

*Authorization to increase
the Share Capital for the
L-TIP Incentive Plan*

Moreover, the Board of Directors, pursuant to art. 2443 C.C. and art. 5 of the Bylaws, has the power to increase the share capital for a period of five years from the date of the resolution of 21 April 2011 in one or more operations not to exceed Euro 1,820,000 by issuing up to 3,500,000 ordinary shares with no nominal value, regular dividend, to

¹ See art. 104, paragraphs 1, 1-bis, 2 and 3 of TUF.

be budgeted at Euro 0.52 per share, to be allocated on an unpaid basis to the beneficiaries of *Autogrill's New Leadership Team Long Term Incentive Plan*, approved by the shareholders' meeting on the same day. In this regard, we point out that, however, the minimum performance levels as of 31 December 2014 required for the activation of the last sub-plan 2012 – 2014 (Wave 2) have not been achieved. In the framework of the authorization provided for by art. 5 of the Bylaws, expiring in April 2016, no new shares will therefore be issued.

Authorization to purchase Treasury Shares

Finally, the shareholders' meeting, during its ordinary session of 28 May 2015, after revoking the unfulfilled portion of the previous authorization to buy and transfer its treasury shares, decided by the ordinary meeting on 28 May 2014 and without prejudice to the transactions carried out till that date, to authorize the purchase – also for the 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 28 May 2015.

Treasury Share Purchase Programme

On 18 June 2015, in compliance with the authorization previously given by the shareholders' meeting of 28 May 2015, the Board of Directors adopted a programme to purchase maximum 12,720,000 treasury shares corresponding to 5% of the Company's share capital.

Treasury Shares in Portfolio

As at 31 December 2015, the Company owns a total of 365,212 treasury shares, corresponding approximately to 0.14% of the share capital, purchased under previous buy-back programmes.

I) Direction and Co-ordination

On 18 January 2007, the Board of Directors judged that the conditions requiring the Company to be directed and coordinated by its parent company, Schematrentaquattro S.r.l. (which, effective from 18 November 2013, was transformed into a joint-stock company under the name of Schematrentaquattro S.p.A.), do not apply pursuant to art. 2497-*bis*, C.C.

In particular, in the aforementioned Board meeting, the Board of Directors ascertained that there were no major indicators of a dominant influence by the controlling shareholder, since Autogrill has extensive organizational and administrative autonomy and there are no instructions or directives by Schematrentaquattro S.p.A. that

provide evidence of the direction or coordination by the controlling shareholders.

* * *

We finally highlight that:

*Reference to the
Remuneration
Report*

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

3. COMPLIANCE

*Adoption of a
Self-Regulatory
Code*

Autogrill has constantly adopted the principles and recommendations of the Self-Regulatory Code, and has updated and promoted the annual Report on corporate governance and ownership structure.

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 February 2015. 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.

Compliance with the Self-Regulatory Code, as amended in 2015.

Comply or explain

The Company will assess the need to adapt to the rules recently added to the Self-Regulatory Code, as amended in July 2015, within the period provided for therein².

The next sections of the Report will also explain - according to the "comply or explain"³ principle - the few principles and application criteria of the Self-Regulatory Code,, which the Company has not, so far, decided to adapt to.

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

² Pursuant to paragraph IX of the "Guiding Principles and Transitional Arrangements" section of the Self-Regulatory Code in the version of July 2015, issuers are invited to make the changes to the Code approved in July by the end of the business year beginning in 2016, informing the market through the report on corporate governance to be published during the following year. As for the amendments made to art. 8 of the Code, issuers are invited to apply them from the first renewal of the Supervisory Board following the end of the business year begun in 2015.

³ 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 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.

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. 19499 of 28 January 2016, 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.

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

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 have been elected.

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.

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. 19499 of 28 January 2016, fixed the minimum participation for presentation of list 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.

Succession Plans

*Yearly
Assessment of
Key Positions
within the Group*

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.

*Training
Programmes for
the Personnel*

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).

*Process of Top
Management
Assessment*

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 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 criterion 5.C.2 of the Self-Regulatory Code, on 12 March 2015, 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. It should be noted, however, that, also considering the Company's shareholding structure, the Board of Directors may act promptly to take the necessary decisions thereon.

4.2. Composition

Duration of the Office of appointed Directors

The current Board of Directors will remain in office until after approval of the 2016 financial statements by the Meeting to be called, and was elected by the Shareholders' Meeting held on 28 May 2014, 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 S.p.A., who, at the date of presentation of said list, held a 50.10% share of Autogrill's share capital ("**List A**"); and (ii) a list of 2 candidates presented by the following 14 Shareholders-investment fund administrators, who, at the date of presentation of said list, jointly held a 1.070% share of Autogrill's share capital: 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., FIL Investments International, Fideuram Asset Management (Ireland) Limited, Fideuram Investimenti SGR S.p.A., Inferfund Sicav, Mediolanum Gestione Fondi SGR.p.A., Mediolanum International Funds Limited, Pioneer Asset Management S.A., Pioneer Investment Management SGRp.A. and Ubi Pramerica SGR S.p.A. ("**List B**").

Directors in Office

With votes representing 50.11% of the share capital, the following candidates in list A were elected: Gilberto Benetton, Gianmario Tondato Da Ruos, Alessandro Benetton, Gianni Mion, Paolo Roverato, Tommaso Barracco, Carolyn Dittmeier, Massimo Fasanella d'Amore di Ruffano, Giorgina Gallo, Stefano Orlando and Neriman Ülsever.

With votes representing 19.08% of the share capital, the following candidates in list B were elected: Ernesto Albanese and Francesco Umile Chiappetta.

We specify that as of the date of this Report there are no so-called cross-directorship⁴ 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.

Curricula 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 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 Mediobanca S.p.A. and 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

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.

⁴ In this regard, see the application criterion 2.C.5 of the Self-Regulatory Code.

In 2000, he joined Autogrill Group and moved to the United States to manage the integration of the 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, Independent Director of International Game Technology PLC and Member of the Advisory Board of Rabo Bank.

Ernesto Albanese

Independent Director

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 service 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., and the Chief Executive Officer of CampusX S.r.l., a company that manages university residences in Rome, Bari and Chieti.

He is President of l'Altra Napoli Onlus, member of the Board of Directors of Autogrill S.p.A., Focus Investments International B.V. and

Prelios Deutschland, the vocational training consortium ELIS and Sportcast S.r.l.

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

Tommaso Barracco

Independent Director

Born in Cosenza in 1951, he graduated in mechanical engineering at Pisa University and took a Master's in Business Administration at HEC (Jouy en Josas, France).

He started his career as a project manager with Ansaldo Group companies in the field of energy production plant engineering in Italy and abroad.

In 1984 he joined Boston Consulting Group (BCG) in Paris, subsequently becoming a partner and managing director in 1990 and senior partner in 1999.

At BCG he held posts of responsibility in industrial sectors and was managing director at BCG Italia. He worked with large international groups and developed in-depth knowledge of consumer goods, distribution, services, transport and tourism.

He has contributed to many studies and publications on the creation of value in companies and problems involved in internationalization and competition.

He has been an independent director of Autogrill since 2011 and board member of Benetton Group S.p.A. and Olimpias Group.

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 Schemaquattordici S.p.A. (former 21, Investimenti S.p.A.), a holding company whose shareholders are Edizione S.r.l., Intesa SanPaolo S.p.A., Fininvest S.p.A., Seragnoli Group, Assicurazioni Generali S.p.A. and Ricerca S.p.A..

*Curricula of the
Directors in Office
(continues)*

He is Chairperson and CEO of 21 Partners S.p.A., board member of Edizione S.r.l., Autogrill (since 1997), Moncler S.p.A., Benetton Group S.r.l. (former Bencom S.r.l.). He is Chairperson 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 Advisory Board of BT Italia S.p.A. and the International Advisory Committee of Robert Bosch Internationale Beteiligungen AG.

Francesco Umile Chiappetta

Independent Director

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 corporate law and securities market, 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 now Governance Senior Advisor 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), Armònia Holding and Armònia Sgr.

Carolyn Adele Dittmeier

Independent Director

Born in Salem (Usa) in 1956, she completed her education at the Wharton School of Business, University of Pennsylvania.

Her professional career began at Peat Marwick Mitchell (now KPMG) in 1978.

*Curricula of the
Directors in Office
(continues)*

From 1987 to 1999, she worked at Montedison, where she held offices as Head of Group Financial Reporting and Head of Internal Audit.

Afterwards, in the years 1999-2002, she was Associate Partner in charge of Corporate Governance for the company KPMG. From 2002 until the first months of 2014, she worked at Poste Italiane Group, where she was Head of Internal Audit.

During her career, she has held several positions of responsibility in the most important, national and international, professional associations of internal auditing, serving from 2004 to 2010 as President of the Italian Association of Internal Auditors, in the two-year period 2011-2012, as President of the European Confederation of Institutes of Internal Auditing and, from 2013 to 2014, she was Deputy Chairperson of the Institute of Internal Auditors (IIA), the major reference association in the world.

She is now the Chairperson of the Board of Statutory Auditors of Assicurazioni Generali S.p.A., as well as Independent Counsel and Chairperson of the Control and Risk Committee of Italmobiliare S.p.A.

She was also member of FAO (*Food and Agriculture Organization*) Audit Committee from 2012 to 2015, holding the position of Chairperson in the two-year period 2014-2015.

Massimo 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

*Curricula of the
Directors in Office
(continues)*

(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 and since 2013 he has been a Board Member of HMSHost Corporation.

Giorgina Gallo

Independent Director

Born in Turin in 1960, she graduated in Business Administration at the Economics and Business University of Turin qualifying in Marketing; then completed her management training at INSEAD's Cedep in Fontainebleau (Paris).

She developed her professional career within the multinational L'Oréal, where she held management positions of increasing responsibility until she became Chief Executive Officer of L'Oréal Saipo in 2001 and, from 2008, Chairperson and CEO of L'Oréal Italia Group. She left at the end of 2013, but she still fills the office of Honorary President.

During her professional experience, she held the following positions in several associations: Deputy President of Cosmetica Italia and Centro Marca, member of the Boards of Directors and Committees of Federchimica, Assolombarda, Unione Industriale Torino, GS1-Indicod/ECR, UPA and Auditel.

For her work, she has received major institutional awards and obtained in 2005 the title of Grand Officer of the Italian Republic, in 2006 the title of *Chevalier de l'Ordre National du Mérite* from the French Republic and in 2012 she was awarded the Bellisario Prize for managers.

Since 2014, she has been offering business consulting services and working as Independent Board Member and member of the Control and Risk Committee of Telecom Italia, Independent Board Member and member of the Strategy and Investment Committee of Autogrill. She is also a member of the Board of Directors of the Society of St. Paul foundation's Pio Onlus Office.

Gianni Mion

Director

Born in 1943 in Vò (Padua), he graduated in business economics from Ca' Foscari University in Venice. He is a chartered accountant and auditor and has been Managing Director of Edizione S.r.l., the company of which he has become Vice-President since June 2012.

At present he is Chairperson of the board of directors of Benetton Group S.r.l., Space2 S.p.A., F.I.L.A. S.p.A., and a member of the Board of Directors of Autogrill S.p.A., Eurostazioni S.p.A., Il Gazzettino S.p.A. and Space Holding S.r.l.

Stefano Orlando

Independent Director

Born in 1948 in Venice, he graduated in economics at Ca' Foscari University, Venice. He became an accountant in 1980 and is also a registered auditor.

He started his career in Milan in 1974 and joined Arthur Andersen S.p.A. the following year, becoming a manager in 1980 and partner in 1986. From 1987 to 1993 he was a member of the National Professional Standards Committee, of which he was also national co-ordinator of professional training (1989-1992) and headed its offices in the Triveneto region and then Brescia (from 1992). He later directed auditing activities for manufacturing, commercial and services companies, also for the Bologna, Florence, Parma and, most recently, Rome, Naples and Bari offices.

In 2002 he was appointed country managing partner for the Arthur Andersen network and managing director of Arthur Andersen S.p.A. Following integration with the Deloitte & Touche network, he became country managing partner of the latter and managing director of Deloitte & Touche S.p.A., which he left in 2005.

He was a member of the Board of Directors of Benetton Group S.p.A. from 2010 to 2012.

He is currently an independent director of Autogrill (since 2011), as well as Lead Independent Director of Autogrill since May 2014.

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. He has been a member of the boards of directors of many companies, including World Duty Free S.p.A., World Duty Free S.A.U., Telecom Italia Media S.p.A., Gemina S.p.A., Aeroporti di Roma S.p.A., Investimenti Infrastrutture S.p.A., Leonardo S.r.l., Schemaventotto S.p.A., Schematrentaquattro S.p.A., Schematrentanove S.r.l., Immobiliare Italia S.r.l., Sagat-Aeroporto di Torino S.p.A., Aeroporto di Firenze S.p.A. and Managing Director of Aeroporti Holding S.p.A.

At present, he holds the following offices: member of the Board of Directors (since 2008), of the Control, Risk and Corporate Governance Committee and of the Human Resources Committee of Autogrill; board member of Edizione Property S.p.A., Immobiliare San Giorgio S.p.A. and Maccaresse S.p.A.; managing director of Edizione Alberghi S.r.l. He is also a standing statutory auditor of Alì S.p.A.

Neriman Ülsever

Independent Director

Born in Bursa (Turkey) in 1951, she graduated in Business Management and Operational Research at the Bosphorus University in Istanbul.

In 1973, she started her career at Turkish Airlines, where she held positions of increasing responsibility. From 1986 to 1994, she held managerial offices in banking, industrial and retail sector companies.

In 1995, she joined Indesit Company in Turkey and, over the years, she held various international positions in Indesit Group's HR department. Since 2011, she has been the Group President of Human Resources at H.O. Sabancı Holding, Turkey.

She is currently Deputy Chairperson and member of the Board of Directors of Kordsa Global, and a board member of CarrefourSA, Aksigorta and AvivaSA.

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

The Board of Directors adopted the policy described below regarding the maximum number of administration and control positions that directors may hold simultaneously in other companies⁵, as proposed by the Internal Control and Corporate Governance Committee. In particular:

Limits to the Number of Positions of Executive Directors

- 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;

Limits to the Number of Positions of Non-Executive Directors

- 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.

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

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

⁵ Resolution of the Board of Directors taken on 12 December 2007 and later confirmed by the resolution dated 10 March 2016, as proposed by the Control, Risk and Corporate Governance Committee in compliance with the application criterion 1.C.3 of the Self-Regulatory Code.

incompatibility with the Executive Director's functions and the interests of Autogrill.

A similar requirement is set forth in Autogrill's Code (section 1.5, paragraph 2).

In the light of the "comply or explain"⁶ 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 Code⁷, 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;
- (c) the decision to depart, albeit minimally, from the application criterion prescribed by the Code was finally taken by the Board of Directors, as proposed by the Control, Risks and Corporate Governance Committee, through a resolution adopted unanimously by the Directors attending the Meeting on 10 March 2016;

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

⁶ 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 footnotes.

⁷ See the application criterion 1.C.3 of the Code.

- (d) the advice of the Board of Directors will be 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, published by the Corporate Governance Committee, the format for the report on corporate governance and ownership 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 an enclosure with a table 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, induction activities were initiated to the benefit of Directors.

Induction sessions for newly appointed Directors were held in June and in July 2014, in general within the Board of Directors and, in particular, within the Control, Risk and Corporate Governance Committee.

In March 2015, the Chairperson of the Control, Risk and Corporate Governance Committee, Ms. Carolyn Dittmeier, and the Chairperson of the Board of Statutory Auditors, Mr. Marco Rigotti, went to the headquarters of the subsidiary company HMSHost Corporation in Bethesda (Maryland, USA) for a two-day off-site induction session. Detailed illustrations were provided during that session of the activities carried out by each function of the North American subsidiary with a view to the implementation of the general policies on the internal control and risk management system. The Chairperson of the Control, Risk and Corporate Governance Committee and the Chairperson of the Board of Statutory Auditors

have then provided an extensive report to the Committees on what they learned during their visit and they also briefly informed the Board of Directors of the Company.

During the Year, and precisely from 29 September 2015 to 2 October 2015, an off-site induction session took place in the United States, with the participation of the members of the Board of Directors and the Board of Statutory Auditors.

In particular, after Autogrill's Board of Directors meeting held on 30 September 2015 at the head office of HMSHost Corporation in Bethesda (Maryland), a comprehensive induction session was held, during which the top management of HMSHost Corporation illustrated the competitive framework, the organizational structure of the North American group and the management of its key activities.

On the same day, a visit led by HMSHost Corporation's Management to the motorway service area called "Delaware Welcome Center Travel Plaza", managed by HMSHost Corporation, was also organized during the same induction session.

On the next day, 1 October 2015, the members of the Board of Directors and the Board of Statutory Auditors took part in a guided tour of Charlotte Douglas International Airport (North Carolina), where the Travel Food & Beverage services, which are entirely managed by the subsidiary HMSHost, were illustrated by the Management managing airport facilities.

It should also be noted that the induction activity is expressly provided for by art. 5, paragraph (g) of the Autogrill Code, which states that the promotion of the participation of Directors and Auditors in activities 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, is expressly entrusted to the Chairperson of the Board of Directors⁸.

4.3. Role of the Board of Directors

Autogrill's Board of Directors is regularly called. In 2015, it met 11 times (with an average duration of approx. 2 hours and 40 minutes).

*Frequency of
Board of
Directors'
Meetings*

⁸ As provided for by the application criterion 2.C.2 of the Self-Regulatory Code. This criterion has also been supplemented in July 2015. As stated in paragraph 3 above of this Report, the Company will assess the possible adjustment to these changes within the period required by the Code, by the end of the business year 2016, and give an account of it in the corporate governance report to be published next year.

Ten meetings are expected for 2016 (3 of which have already been held as of the date of this Report).

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 assigned by the Board of Directors to the Group General Counsel, Ms. Paola Bottero, on 10 November 2010 and later confirmed on 28 May 2014), 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 Code⁹ 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.

*Participation of
Directors in Board
Meetings*

With respect to the Board meetings held in 2015, 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 the materials required for a meeting within the defined due date, the time to obtain the

⁹ See section 4.4 of the Autogrill Code, which is in line with the application criterion 1.C.5 of the Self-Regulatory Code.

necessary information was granted during the Board meetings¹⁰. In this respect, it should be noted that Autogrill Code¹¹ states that the Chairperson has not only the duty to ascertain that, as mentioned above, at least three days in advance 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.

The directors of the Company and the Group having specific competencies and responsibilities on each individual issue examined by the Board¹² 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.

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 Code¹³, pursuant to which the Board of Directors:

- a) prepares and adopts the Company's corporate governance rules and defines the guide-lines 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**");
- 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;

*Exclusive
Competence of
the Board of
Directors*

¹⁰ In this connection, see the remark on the application criterion 1.C.5 of the Self-Regulatory Code.

¹¹ See art. 5 of the Autogrill Code.

¹² In this regard, see criterion 1.C.6 of the Self-Regulatory Code and the consistent section 4.6 of the Autogrill Code.

¹³ 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.

*Exclusive
Competence
of the
Board of
Directors
(continues)*

- 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;
- 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;
- h) 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;
- i) 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;
- j) 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;
- k) 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;

- l) 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 (the "**Subsidiaries of strategic importance**");
- m) upon the CEO's proposal, determines the assignments and powers of the General Manager of the Company, if appointed;
- n) according to the competencies of the 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;
- o) takes care to ensure that the Board of Statutory Auditors information procedure defined in art. 150 of TUF is complied with;
- p) reports, as required by the applicable legislation and regulations, to the Shareholders during the Meetings;
- q) appoints the Chief Audit Executive;
- r) 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.

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

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

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 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 Audit Executive; (ii) ensures that the Chief Audit Executive is provided with the adequate resources to perform his/her tasks; and (iii) defines the remuneration of the Chief Audit Executive consistently with corporate policies and in compliance with the applicable legislation¹⁴.

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

During the meeting of 10 March 2016, based on the information and evidence collected with the support of the investigative work carried out by the Control and Risks Committee, and further based on the assumptions and assessments of the Supervisory 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.

We also point out that, on 17 December 2015, the Board of Directors reviewed a risk profile analysis concerning the risks faced by the Company and the Group, conducted on the years 2016 – 2018 on Autogrill Group's business plan 2016 – 2020. Acknowledging the risk mitigation actions identified by the Group's management, the Board resolved to assess the risks so identified and illustrated, compatible

¹⁴ In this respect, see section 11.3 of the Autogrill Code.

with the Company's and Autogrill Group's management, in line with the objectives identified in the business plan. The risk profile of the business plan is updated every three months.

*Assessment of
General Business
Trends*

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 Directors¹⁵:

- periodically monitored the implementation of the industrial and financial plans of the Company approved 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.

*Subsidiaries of
Strategic
Importance*

On 13 February 2014, the Board of Directors identified the companies HMShost Corporation and Holding de Participations Autogrill S.a.s. as subsidiaries of strategic importance.

As regards Directors' Fees, we point out that the global remuneration amount was divided among the members of the Board of Directors during the Shareholders' Meeting on the date of their appointment, 28 May 2014.

*Emoluments of
Executives*

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 18 June 2014, 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 November 2015, in line with international best practices and with the provisions of the Self-Regulatory Code¹⁶, the Board of Directors initiated the periodic Board self-evaluation programme regarding the size, composition and operation of the Board of Directors and its Committees with reference to the Business Year.

The board review was conducted anonymously through the distribution to each Director of a questionnaire, prepared by the Lead

¹⁵ In line with the requirements of application criterion 1.C.1 of the Self-Regulatory Code.

¹⁶ See the application criterion 1.C.1(g) of the Code.

Independent Director with the assistance of the Secretary of the Board of Directors and an independent, specialized external counsel, Mr. Alessandro Minichilli, who is Associate Professor of Business Administration and Corporate Governance at the Bocconi University in Milan, and who has not so far provided additional services to the Group other than counselling support services for the periodic board evaluation activity of the Board of Directors.

The questionnaire allowed for semi-open answers, with quantitative scores and qualitative comments by the Directors, based on a format that is consistent with previous self-evaluation experiences, so as to allow evolutionary comparisons, focus on areas of improvement that had already emerged in the past, adaptation to the requirements of the Self-Regulatory Code, possibility to isolate the perception of newly appointed Board members, while rigorously respecting the anonymity.

*Results of the
Board Evaluation*

The results of the questionnaires were reported in a summary document, which was first made available to the Directors, and then illustrated and discussed during the Board meeting on 11 February 2016.

From the analysis carried out, it has emerged that the opinion on the efficiency of the Board of Directors is very positive, in general terms, thus confirming what had emerged in previous self-evaluation experiences.

Confirming the evidence already emerged in previous self-evaluation experiences, the Board of Directors appears to be very well structured (including as far as the Committees are concerned), with wide and varied internal expertise, and characterized by high transparency and attention to information and compliance aspects. The satisfaction concerning the improvement of the risk management system expressed by any and all the members of the Board of Directors emerged from the questionnaires.

The aspects of excellence in Autogrill governance that emerged from the self-evaluation process are various and consolidated. Among the main confirmations, we point out:

- the number, frequency, planning and respect of the agenda of meetings, on which unanimous judgments are recorded;
- a good overall satisfaction as regards the documents transmitted to the Board of Directors in preparation of the meetings, both in terms of timeliness and utility for the

preparation of Board Members, which is considered entirely adequate;

- the clear, analytic and complete minutes, as well as – in connection to this – the reasons in support of the main decisions of the Board of Directors;
- in general, the entire disclosure activity, including the disclosure activity concerning the compliance with the Self-Regulatory Code, the information on press releases disclosed to the market and the management of price sensitive information.

In compliance with the guidelines of the Corporate Governance Committee of Borsa italiana, the comparison with the self-evaluation at the beginning of the mandate takes on the special meaning of “mid-term review” of the actual improvements of the critical issues emerged on that occasion, especially in terms of functioning of the Board of Directors. In this perspective, it was decided to focus the attention on some areas that may be improved, as emerged from the comparative analysis, such as the continuation of the process – so far satisfactory – of refocusing of the role and areas of activity of the Board of Directors, the improvement of the overall understanding of the company and industry, and the increase in the flow of information between the Board of Directors and the Committees.

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

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 28 May 2014, 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, (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 CEO's powers must be exercised within the specific limits listed below:

- (a) 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 € 5,000,000 per single contract;
- (b) consultancy, intellectual and professional services contracts in general: up to € 1,000,000 per fixed-term contract;
- (c) 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) acquisitions and/or disposals of businesses or business units: up to € 5,000,000, 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 € 5,000,000 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 € 5,000,000 per transaction;
- (g) stipulation, with appropriate clauses (including arbitration), amendment and termination of purchase and sale contracts for buildings, land and other property assets: up to € 5,000,000 per single contract;
- (h) stipulation, also in the interest of Subsidiaries, with appropriate clauses (including arbitration), amendment and termination of agreements to open credit lines and credit facilities in general, financing or credit mandates: up to € 10,000,000 per single contract;
- (i) negotiation with banks and financial institutions and investors for loans (including securitization): up to € 10,000,000 per

single transaction, all resolutions and authorizations relating to execution of the same to be submitted to the Company's competent bodies;

- (j) loan contracts of any kind with wholly-owned subsidiaries: up to € 10,000,000 per single transaction; Group treasury cash pooling contracts and infra-group current account contracts: within a maximum daily pooling availability of € 10,000,000 in the interest of each Subsidiary;
- (k) current and deposit account contracts with banks and post offices, including cash pooling contracts: within a maximum daily pooling availability of € 10,000,000 in the interest of each subsidiary;
- (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 € 5,000,000 per single transaction;
- (m) underwriting of counter security and indemnity letters: up to € 5,000,000 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 28 May 2014, 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).

We point out (as already pointed out in section 4.2 of this Report) that there is no interlocking directorate¹⁷ situation.

*No Interlocking
Directorate*

¹⁷ See application criterion 2.C.5 of the Self-Regulatory Code.

Chairperson of the Board of Directors

The Chairperson of the Board of Directors 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.

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 Code¹⁸, 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 of 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 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 whereto 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;

¹⁸ See art. 5 of the Code.

- (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.

*Periodic
Information
Reports*

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.

In order 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 Board of Directors, Strategy and Investment Committee, HR Committee, Control, Risk and Corporate Governance Committee and Board of Statutory Auditors.

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 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

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

is an appropriate way of safeguarding the interests of all Shareholders and stakeholders¹⁹.

On 28 May 2014, upon the first available meeting after its appointment, the Board of Directors assessed the existence of the independence requirements provided for by the Autogrill Code, as well as the independence requirements established by TUF²⁰ regarding eight out of the thirteen Board Members in office: Ernesto Albanese, Tommaso Barracco, Francesco Umile Chiappetta, Carolyn Dittmeier, Massimo Fasanella d'Amore di Ruffano, Giorgina Gallo, Stefano Orlando and Neriman Ülsever.

As provided for by the Self-Regulatory Code – that recommends to verify once a year the independence of Board members – on 12 March 2015 and 10 March 2016, the Board of Directors has once again assessed and verified the compliance of the eight above-listed Board Members with the aforementioned independence requirements.

Yearly Assessment of the Compliance of Board Members with Independence Requirements

On 16 June 2014 and 15 March 2015, the Board of Statutory Auditors verified the correct application of the assessment criteria and procedures adopted by the Board to evaluate the independence of its members.²¹

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 issues. During the year 2015, the Independent Directors held a plenary session on 16 January, and then met on 20 January 2016 and 11 February 2016.

Meetings of the Independent Directors

4.7 Lead Independent Director

Meeting on 28 May 2014, the Board of Directors appointed Board Member Stefano Orlando as the Company's Lead Independent Director²² responsible for carrying out the tasks provided for by the Self-Regulatory Code²³ and international best practices. In addition to

¹⁹ 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.

²⁰ 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.

²¹ Pursuant to article 15.6 of the Autogrill Code (application criterion 3.C.5 of the Self-Regulatory Code).

²² During the same meeting, Mr. Stefano Orlando was also appointed Chairperson of the Human Resources Committee and Co-ordinator of the Related-Party Transaction Committee.

²³ See application criterion 2.C.4 of the Code.

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 of the Board of Directors to ensure that directors actually receive complete and prompt information.

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 market²⁴.

The aim of this 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. 181 of TUF, 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 which, if made public, might materially affect the price of Autogrill stock on the stock market.

Pursuant to art. 114 of TUF, to ensure equal information for all investors, privileged information is disclosed by the Company to the market as soon as it reaches a reasonable degree of certainty.

In line with current legislation, the Company set up a register containing the names of all individuals and information concerning legal entities, who on account of the activities or functions they perform for Autogrill or its 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.

*Register of the
Persons that may
access Privileged
Information*

²⁴ In compliance with Law No. 62 of 18 April 2005 ("Community Law 2004") on market abuse.

Internal Dealing Procedure

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.

Relevant Persons

The current definition of relevant person, thus obliged to comply with the abovementioned procedure, includes Directors and statutory auditors of Autogrill, subjects who exercise functions of direction and executives who have regular access to privileged information and are authorized to make management decisions that can affect Autogrill's future development and prospects and all persons closely related to such relevant persons.

Relevant persons and their close relatives are prohibited from trading in the Company's financial instruments in the 15 days before any approval of accounts.

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 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 Code²⁵, the Autogrill Code requires the Chairperson of the Board of Directors, 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 procedure in force concerning privileged information already contains specific provisions for the regulation of the matters under discussion.

6. INTERNAL BOARD COMMITTEES

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

*Committees
contemplated by
the Self-Regulatory
Code*

²⁵ See application criterion 1.C.1(j) of the Code.

- (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: Details

The Strategy and Investment Committee was set up for the first time on 21 April 2011. Its current members are independent Directors Tommaso Barracco, Massimo Fasanella d'Amore di Ruffano, Giorgina Gallo and non-Executive Director Gianni Mion (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.

*New Group's
Procedure for
Capital Expenditure*

On 10 June 2015, the Strategy and Investment Committee met to review and 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 their entire life cycle; and (c) the involvement of corporate functions in the control and monitoring of the proper implementation of the policy.

Approved by the Board of Directors on 18 June 2015, the new Group Capital Expenditure Policy entered into force on 1 January 2016 and applies to all capital investment proposals exceeding 5 million Euros submitted to the competent evaluation of the Board.

*Explanations
concerning the
Allocation of
Functions among
the Committees*

Finally, referring to the recommendation contained in the Self-Regulatory Code²⁶, 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.

7. APPOINTMENT COMMITTEE

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

In the light of the "comply or explain" principle²⁷, 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

²⁶ 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.

²⁷ 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.

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 eight 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 recently 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;
 - (d) said decision will be 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, published 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;

- (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 Code²⁸, 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.

²⁸ 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 24 January 2013.

Composition of the Human Resources Committee

The HR Committee, appointed by the Board of Directors on 28 May 2014, consists of non-Executive, mostly independent²⁹, Directors. The Director Mr. Stefano Orlando (the Lead Independent Director who chairs the Committee), the independent Director Mr. Massimo Fasanella d'Amore di Ruffano 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 appointment³⁰.

The Directors, and the CEO in particular, abstain from participation in meetings of the HR Committee where proposals regarding their respective remuneration³¹ are submitted to the Board of Directors.

Participation in Meetings

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

²⁹ 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.

³⁰ See again, in this regard, principle 6.P.3 of the Self-Regulatory Code.

³¹ In accordance with application criterion 6.C.6 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 Code³², the HR Committee shall:

- (i) submit proposals to the Board of Directors for the definition of a general policy for the remuneration of the President, 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 President, 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"³³ 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 regarding the remuneration of Directors in general

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

³² See paragraph 10.1(a) of the Autogrill Code.

³³ 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.

(beyond Executive Directors, the Chairperson and the other Directors with special tasks)³⁴;

- (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 renewal 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 recently 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; and
- (d) said decision will be 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, published 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.

³⁴ As required by principle 6.P.4 of the Self-Regulatory Code.

*Access to
Information and
Business Functions*

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.

*Participation in the
Committee's
Meetings*

The Chairperson of the Board of Directors and the CEO of the Company can attend the HR Committee's meetings provided that no Director takes part in the meetings where proposals are submitted to the Board concerning his/her remuneration.

Report to the Board

The Committee's chair reports to the Board on a regular basis on the HR Committee's work.

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.

*Meetings and
Activities in 2015
and 2016*

During 2015, the HR Committee met 6 times (with an average duration of approx. 2 hours) to examine and propose the following to the Board of Directors: (i) the definition of the three-year objectives of the MBO "hybrid" incentive scheme (Senior Executive MBO Plan 2015, aka "SEMP 2015") for the CEO, Chief 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, budget and industrial plan economic and financial objectives. In said context, the proposals of the management with regard to the annual individual objectives of the SEMP 2015 incentive scheme, consistently with the guidelines provided by the Board of Directors and by the same Committee, were particularly assessed; (ii) in particular, the proposals of the annual objectives related to the SEMP 2015 incentive scheme for the CEO, for the Financial Reporting Manager and, after hearing the Control, Risk and Corporate Governance Committee, for the Chief Audit Executive; (iii) the evaluation of the level of achievement of individual objectives of the SEMP 2014 incentive scheme and, more specifically, those regarding the CEO, the Financial Reporting Manager and, after hearing the Control, Risk and Corporate Governance Committee, the Chief Audit Executive; (iv) the evaluation concerning the non-achievement of the objectives of the *2012-2014 Wave 2* of the incentive system called *2010-2012 Long-Term Incentive Plan (L-LTIP)*; (v) the performance of the *Wave 3*

(2015-2017) of the *Phantom Stock Option Plan 2014*; (vi) the proposal to hire an executive and the appointment of three employees as executives.

In addition to the above activities, the HR Committee also focused its attention on the following activities: (i) assessment 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; (ii) analysis of salary trends aimed at evaluating merit remuneration variations for executives with strategic responsibilities and top managers; (iii) preparation of the Remuneration Report for 2014, according to art. 123-ter of TUF and art. 84-quater of the Issuer's Regulations, approved by the BoD on 12 March 2015 and made available at the registered office and website of the Company as required by the law.

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

An approximate number of 6 HR Committee meetings, 2 of which have already been held at the date of this Report, is expected for 2016.

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 Head of Human Resources & Organization and experts in the sector or Group executives invited from time to time to take part in meetings.

The Board of Directors allocated euro 30,000 for the activities of the HR Committee over the year 2016.

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

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 policies³⁵.

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).

The Autogrill Code prescribes that the Company's policy for the remuneration of executive directors or directors holding particular offices should envisage, *inter alia*, contractual agreements that 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 wrong³⁶.

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 Director³⁷.

Equity-Based Remuneration Plans

As previously mentioned, the Stock Option Plan is still in force at the date of this Report. Under this plan, 136,947 matured options, each giving the right to subscribe or purchase one Autogrill's share, may be exercised not later than 30 April 2018. 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 budget of

³⁵ 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.

³⁶ 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.

³⁷ See paragraph 10.3(a)(vii) of the Autogrill Code assimilating the application criterion 6.C.1(g) of the Self-Regulatory Code.

Autogrill as at 31 December 2015; 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 Code³⁸, we point out especially that:

- (a) the options granted under the 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*.

Remuneration of the CEO and Executives with Strategic Responsibilities

For information on the remuneration of the CEO and of executives with strategic responsibilities, 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 plan based on *phantom stock options* and called "2014 Phantom Stock Option Plan" that was approved by the Shareholders' Meeting on 28 May 2014.

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

In defining the short- and long-term incentive schemes for the Chief Audit Executive and the Financial Reporting Manager special attention was paid to balancing qualitative and economic and financial objectives, in consideration of their roles³⁹.

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 28 May 2014, each Director is entitled to a fixed annual remuneration of €50,000 for the

³⁸ See the application criterion 6.C.2 of the Code.

³⁹ In line with the application criterion 6.C.3 of the Self-Regulatory Code.

office, in addition to a fee of €600 for each Board and Shareholder meeting attended.

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

Each member of any Committee is also entitled to €600 for each meeting of the corresponding Committee attended.

The Remuneration Report also indicates the amount of the fees paid to each Director during 2015.

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 (provided for in the collective employment contract for executives in the commercial sector) to €2m, if said indemnity 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.

In the case of executives with strategic responsibilities, all rights acquired under incentive plans are forfeited in the event of discontinuation for cause, justifiable subjective reasons or voluntary resignation ("bad leaver").

In the event of discontinuation for a justifiable, objective reason or retirement, executives with strategic responsibility are entitled to

*Indemnity of
Executives with
Strategic
Responsibilities*

remain beneficiaries of incentive plans on a *pro-rata* basis (“good leaver”).

We point out that, during the Business Year, Autogrill experienced no cases of termination of an executive Director or managing director; in which cases the Autogrill Code states that the Company must provide detailed information, through an announcement to be disclosed to the market, upon completion of the internal processes leading to the award or the recognition of allowances and/or other benefits⁴⁰.

10. CONTROL, RISK AND CORPORATE GOVERNANCE COMMITTEE

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

Main Functions 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.

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 28 May 2014, the Board of Directors in office appointed as members of the Control, Risk and Corporate Governance Committee the independent Directors Ms. Carolyn Dittmeier (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 Code⁴¹, the Control, Risk and Corporate Governance Committee is made up of non-executive,

⁴⁰ In this regard, see paragraph 10.2(d) of the Autogrill Code, added on 18 December 2014 to align the Company’s governance with principle 6.P.5 and the application criterion 6.C.8 of the Self-Regulatory Code that came into force on 1 August 2014.

⁴¹ 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

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 12 February 2015, 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.

Functions assigned to the Control, Risk and Corporate Governance Committee

As previously mentioned, 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 Code⁴², as implemented by the operating regulations of the Control, Risk and Corporate Governance Committee, requires the Control, Risk and Corporate Governance 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 Audit Executive, examine the periodic reports prepared by the Chief 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

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.

⁴² See section 12.2 of the Autogrill Code that is in line with application criterion 7.C.2 of the Self-Regulatory Code.

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 Chairman of the Board of Statutory Auditors;
- (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) 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 2015
and 2016*

During the Year, the Control, Risk and Corporate Governance Committee met 11 times (average length of meeting: approx. 3 hours), regularly accessed the corporate information required and,, *inter alia*:

- it examined the proposal of Group's audit plan 2015, subsequently approved by the Board of Directors, and the significant results of the activity carried out by the Internal Audit function during 2015;
- after having heard what was reported by the Financial Reporting Manager, the Board of Statutory Auditors and the Independent Auditors, it shared the correct and consistent use of accounting standards to draw up the annual accounts and consolidated financial statements for 2014.

It has also examined:

- the annual report for 2014 regarding the internal control system drafted by the Chief Audit Executive;

- the Activity Plan 2015 of the Enterprise Risk Management function, and then the results of said activity;
- some aspects highlighting the progress of the Control and Risk System;
- the reports on the activity of the Supervisory Body.

During 2016, 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 S.p.A. and on the value of the participating interest directly referred to Autogrill S.p.A.;
- ✓ after having heard what was reported by the Financial Reporting Manager, the Board of Statutory Auditors and the Independent Auditors, it has shared the correct and consistent use of accounting standards to draw up the annual accounts and consolidated financial statements for 2015;
- ✓ examined the 2015 annual report on the activities of the Internal Audit department and the 2016 annual Audit Plan;
- ✓ approved the report on the Committee’s activities for 2015;
- ✓ 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.

Minutes are prepared for each meeting held by the Control, Risk and Corporate Governance Committee.

The Control, Risk and Corporate Governance Committee Director, the Financial Reporting Manager, the Chief Audit Executive, the Enterprise Risk Manager, the Chairperson of the Board of Directors, the Chief Executive Officer, and 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; 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.

*Participation in the
Committee’s
Meetings*

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.

The actual attendance of each member of the Control, Risk and Corporate Governance Committee in the meetings held during 2015 is detailed in Table 2 in the appendix.

Eleven meetings are planned for 2016, including those that have already been held at the date of this Report.

Budget

During its meeting held on 18 December 2014, the Board of Directors allocated €30,000 to the Control, Risk and Corporate Governance Committee for the fulfilment of its tasks in 2015. For the year 2016, the same Committee will be allocated 30,000 Euros, within the limits of the annual budget allocated by the Board of Directors during its meeting on 17 December 2015.

11. INTERNAL CONTROL AND RISK MANAGEMENT SYSTEM

Foreword

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 Code⁴³, 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 of financial information in general, also through the auditing of their recording processes and of information flows;

⁴³ See section 11.2 of the Code.

- (c) ensure and monitor compliance with the principles of the Code of Ethics and, in general, with the applicable legislation and regulations;
- (d) ensure the implementation of and compliance with the Model and instructions of the Supervisory Board;
- (e) ensure the protection of corporate integrity, also with the purpose of preventing fraud that may damage the Company and the financial markets.

Alignment with International Best Practices

The operating responsibilities for the conduction of Autogrill's Control and Risk Management System are in line with international best 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 Code⁴⁴, 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.

Autogrill has developed Group-wide Corporate Governance procedures (whose last update was approved by the Board of Directors on 10 November 2011) to direct the governance and

⁴⁴ See paragraph 11.5 of the Autogrill Code.

control of the main decision-making processes and compliance with specific regulations also in Subsidiaries of strategic importance.

On 12 November 2015, 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.

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 preset 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 Audit Executive and the Supervisory Body for the matters concerning the organizational model required by Leg. Dec. 231/2001, 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;
- 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.

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).

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 Compliance Model (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 and Assonime information notes.

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 and the Financial Reporting Manager ensure the implementation and the continuous management of the Control and Risk System concerning the financial disclosure 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 (L262 Compliance Office).

*Business Unit
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 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 financial reporting.

*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 particular 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 monitor 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 (internal environment);
- ✓ The process of assessing risks that may jeopardize the achievement of business objectives (enterprise risk management);
- ✓ 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 using an IT tool.

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 28 May 2014, the Board of Directors confirmed to the CEO the office of Control and Risk Management System Director.

Pursuant to the Autogrill Code⁴⁵ 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

⁴⁵ See the application criterion 7.C.4 of the Self-Regulatory Code and section 11.4 of the Autogrill Code.

scenario; proposes to the Board of Directors the appointment and, where the revocation conditions are met, the revocation of the Chief 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 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 Board of Directors, 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.

*Internal Audit
Function*

11.2. Person in charge of Internal Audit

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 the Group's Internal Audit Guidelines on all the activities and processes mapped within the companies of the Group and consists in monitoring first and second level controls by means of:

- ✓ specific auditing projects;
- ✓ check of the reliability of IT systems;
- ✓ reporting systems;
- ✓ follow-up of the corrective actions identified during auditing, useful for the improvement of the Control and Risk System.

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 Audit Executive.

*Autogrill Group's
Internal Audit
Mandate*

Mr. Silvio de Girolamo, who was first appointed at the end of 2007 under the Self-Regulatory Code⁴⁶, was confirmed in the position of person in charge of Internal Audit ("**Chief Audit Executive**").

*Appointment and
Functions of the
Chief Audit
Executive*

Pursuant to the Autogrill Code⁴⁷, the task of the Chief 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 Audit Executive:

- (a) reviews, both continuously and in connection with specific requirements and operating areas, and in compliance with

⁴⁶ See the current application criterion 7.C.5 of the Self-Regulatory Code.

⁴⁷ See section 11.3(c) of the Autogrill Code.

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;
- (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 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.

Remuneration and Resources

The Chief 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 Audit Executive has the financial and human resources required, as specified in an annual budget, 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 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. Organization Model pursuant to Legislative Decree no. 231 of 8 June 2001

Autogrill Model

The organization, management and control model 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 12 December 2013, the Board of Directors approved a new version of the Model after a global review of the previous version that was made on the basis of the consideration of some significant evolutions in the corporate organization, of the introduction of new offences in the reference legislation and of the consolidated jurisprudence concerning the administrative accountability of entities.

The new version of the Model includes appropriate policies and measures to ensure the conduction of activities in compliance with legal requirements and identify and eliminate any risk situation, but also contains an appropriate prevention system to mitigate the crime risk consistently with its organizational layout and with the best practices of reference.

*Contents of the
Model: General
Part, Special Part
and Appendixes*

The Model includes a general part and a special part.

The general part describes the contents of the Decree, with a special focus on the criminal offences for which the entity has 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 28 May 2014, the Board of Directors appointed Mr. Giorgio Brunetti - formerly the Company's Lead Independent Director - Mr. Silvio de Girolamo, Autogrill Group Chief Internal Audit & CSR Officer, and Mr. Marco Rigotti, Chairperson of the Board of Statutory Auditors, as members of the Supervisory Body.

On 1st December 2014, Mr. Marco Rigotti informed the Supervisory Body that his office had been vacated for personal reasons. On 22 January 2015, the Board of Directors has thus appointed Mr. Luigi Biscozzi, who was Standing Auditor of the Company at that time, to replace Mr. Marco Rigotti as member of the Supervisory Body.

The Supervisory Body met 5 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.

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 may 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.

The first application of the procedure occurred at the Shareholders' Meeting held on 27 April 2006, which appointed KPMG S.p.A., Milan, as the Company's Independent Auditors in charge of auditing the statutory and consolidated financial statements of the Company for business years 2006-2011, an engagement subsequently extended by law to cover 2012-2014 as a result of art. 17, Legislative Decree no. 39 of 27 January 2010 coming into force.

*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 in office, 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 17 December 2015, the Board of Directors approved the budget for the year 2016 proposed by the Financial Reporting Manager.

12. DIRECTORS' INTERESTS AND RELATED-PARTY TRANSACTIONS

*Autogrill 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, on 12 December 2013 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 (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 Regulations⁴⁸.

After extensive inspections aimed at examining and reassessing the choices made during the first approval and enforcement of the RPT Procedure, on 13 May 2014, the Board of Directors approved a new version of RPT Procedure according to Related-Party Regulations. The new version replaced the previously effective procedure with effect from 30 September 2014. In particular, the RPT Procedure in force as at the date of this Report extends the perimeter of related parties to include, among the persons potentially covered by the definition of "Executives with strategic responsibilities" not only Autogrill

⁴⁸ See art. 4, paragraph 3, of the Related-Party Transactions Regulations.

managers, but also the top executives of the Subsidiaries, in any case without prejudice to the competence of Autogrill's Board of Directors in identifying the detailed list of "Executives with strategic responsibilities", whom to apply the RPT Procedure.

*Appointment and
Activities of the RPT
Committee*

On 28 May 2014, the Board of Directors appointed the Related-Party Transactions Committee currently in office, which is composed of Independent Directors Ms. Carolyn Dittmeier, Ms. Giorgina Gallo and Mr. Stefano Orlando (Coordinator of the Committee).

During 2015, the Related-Party Transaction Committee met 7 times (with an average duration of the meeting of 2 hours approximately).

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 Bylaws⁴⁹, 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

⁴⁹ 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.

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. 19499 of 28 January 2016, CONSOB established that the percentage required by art. 144-*quater* of the Issuers' Regulations for the presentation of candidate lists for the election of Autogrill's governing and control bodies in 2016 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)⁵⁰ 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.

*Appointment
Mechanisms*

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;

⁵⁰ The first mandate, for Autogrill, was conferred by the Shareholders' Meeting on 28 May 2015.

- (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 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. 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 financial statements for the year ending on 31 December 2017.

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 S.p.A. 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.

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 Roll of Chartered Accountants 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. He chairs the Boards of Directors of some companies of the Alisarda Group (Meridiana Fly S.p.A., Meridiana Maintenance S.p.A., Meridiana S.p.A., Air Italy Holding S.r.l., Air Italy S.p.A., Gestione Aeroporti Sardi S.p.A.), where he represents the control shareholder, and serves as Standing Auditor for Recordati Industria Chimica e Farmaceutica S.p.A. Since March 2013, he has also been chairing Word Duty Free S.p.A.'s Board of Statutory Auditors.

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.

*Curricula Vitae of
the Statutory
Auditors in Office
(continues)*

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 Legal Auditors ("Registro dei Revisori Legali") 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 Boards of Statutory Auditors of Autogrill since April 2009.

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. She has been Standing Auditor in Pirelli & C. S.p.A. since 10 May 2012 and in Autogrill S.p.A. since 28 May 2015.

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

*Requirements of
Integrity,
Professionalism and
Independence, and
Assessment of
Requirements*

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, 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. 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 Code⁵¹.

On 12 March 2015, the previous Board of Statutory Auditors, in compliance with the provision of the Self-Regulatory Code⁵², ascertained that all its members met the Director independence requirements established by the Board of Directors.

On 16 June 2015 and 10 March 2016, the current Board of Statutory Auditors assessed whether all its members met the independence requirements set forth in applicable laws and in the Self-Regulatory Code.

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.

The retiring Board of Statutory Auditors, whose mandate expired with the approval of the financial statements for 2014 by the Shareholders' Meeting on 28 May 2015, performed the activities required to formulate its reasoned proposal to the same Shareholders' Meeting, pursuant to art. 13, paragraph 1, of the Legislative Decree No. 39 of 27 January 2010, for the appointment of the statutory auditors for the period 2015-2023.

For the performance of its tasks, the Board of Statutory Auditors cooperates with the Chief 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 17 meetings of Statutory Auditors held during the business year lasted approx. 2 hours and a half. Eleven meetings are scheduled for the current year, 3 of which have already been held.

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 and explain to institutional investors and

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

*Investor Relations
Function and
relevant Tasks*

⁵¹ See section 15.2 of the Autogrill Code.

⁵² See application criterion 8.C.1 of the Self-Regulatory Code.

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*).

Responsibility for the management of the relations with the financial market falls on the Head of Investor Relations.

The last two years were marked by several changes linked, on the one hand, to the evolution and the associated refinement of the Group's strategy and, on the other, to the listing of the main competitors at global level, thus creating a sector concerning concession activities in the capital market. Hence, the Group felt the need to further improve the activities of the Investor Relations Function, for example by increasing the opportunities to communicate its strategy or further studying the issues attracting even greater interest of the investors. The strengthening of the function that occurred in 2015 through the addition of a new resource has been functional to this evolution.

Compared to the previous year, the expansion of the team has immediately allowed increasing from 12 to 18 the number of sector road-shows and conferences, which the Group took part in. In particular, the number of meetings was increased by almost 15% compared to 2014 both in the financial markets, where the Group is already known (e.g. London), and in financial centres less frequently visited in previous years (e.g. the West Coast of the United States, Spain, Austria).

In summary, the following Investor Relations activities were carried out by the Autogrill Group in 2015:

- a) an event dedicated to analysts and investors for the publication of 2014 results;
- b) 3 conference calls for the publication of the results of the first and third quarters 2015 and first half of 2015;

- c) 14 road-shows and participation in 4 conferences – industry conferences or dedicated to listed companies in Italy – organized by institutions or financial intermediaries.

On the whole, 260 exchange events were organized, almost 85% of which in person.

A series of activities aimed at strengthening the capacity of the Company's website to act as a support to financial communication were also launched. Among them, we mention a feasibility study and a subsequent test phase of an "application" specifically intended for analysts and investors that should be activated in the first months of the new year.

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' Meeting⁵³.

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.

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.

⁵³ 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.

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 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.

Nine Directors attended the Meeting held on 28 May 2015, 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).

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 adopted by the Company pursuant to Legislative Decree 231/2001 may be found in sections 6 and 11.3.

18. CHANGES AFTER THE CLOSE OF THE BUSINESS YEAR

No changes to the corporate governance structure have occurred between the close of the Business Year and the date of this Report.

TABLES

TABLE 1: SIGNIFICANT STAKES IN THE SHARE CAPITAL

Reference date: 10 March 2016			
Informant	Direct Shareholder	Share % of ordinary share capital	Share % of voting capital
Edizione S.r.l.	Schematrentaquattro S.p.A.	50,100	50,100
Invesco LTD	Invesco Powershares Capital Management LLC	0.005	0.005
	Invesco Fund Managers Limited	1.052	1.052
	Invesco Asset Management Limited	1.684	1.684
	Total	2.741	2.741

TABLE 2: STRUCTURE OF 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***	(*)	(*)	(**)	(*)	(**)	(*)	(**)	(*)	(**)
Chairman	Gilberto Benetton	1941	19/05/1997	28/05/14	Approval of accounts at Dec. 31, 2016	M		X			1	11/11								
Chief Executive Officer (a) (b)	Gianmario Tondato Da Ruos	1960	24/03/2003	28/05/14	Approval of accounts at Dec. 31, 2016	M	X				1	11/11								
Director	Ernesto Albanese	1964	28/05/2014	28/05/14	Approval of accounts at Dec. 31, 2016	m		X	X	X	1	10/11								
Director	Alessandro Benetton	1964	19/05/1997	28/05/14	Approval of accounts at Dec. 31, 2016	M		X			1	10/11								
Director	Tommaso Barracco	1951	21/04/2011	28/05/14	Approval of accounts at Dec. 31, 2016	M		X	X	X	0	11/11					12/12	M		
Director	Francesco Umile Chiappetta	1960	28/05/2014	28/05/14	Approval of accounts at Dec. 31, 2016	m		X	X	X	1	10/11	10/11	M						
Director	Carolyn Dittmeier	1956	10/04/2013	28/05/14	Approval of accounts at Dec. 31, 2016	M		X	X	X	2	11/11	11/11	P					7/7	M
Director	Massimo Fasanella d'Amore di Ruffano	1955	7/03/2012	28/05/14	Approval of accounts at Dec. 31, 2016	M		X	X	X	0	9/11			6/6	M	12/12	M		

Director	Giorgina Gallo	1960	28/05/2014	28/05/14	Approval of accounts at Dec. 31, 2016	M		X	X	X	1	11/11					9/12	M	7/7	M
Director	Gianni Mion	1943	9/01/1995	28/05/14	Approval of accounts at Dec. 31, 2016	M		X			2	10/11					11/12	P		
Director (c)	Stefano Orlando	1948	21/04/2011	28/05/14	Approval of accounts at Dec. 31, 2016	M		X	X	X	0	11/11			6/6	P			6/7	M
Director	Paolo Roverato	1963	23/04/2008	28/05/14	Approval of accounts at Dec. 31, 2016	M		X			0	11/11	11/11	M	4/6	M				
Director	Neriman Ülsever	1953	28/05/2014	28/05/14	Approval of accounts at Dec. 31, 2016	M		X	X	X	4	10/11								
-----DIRECTORS LEAVING OFFICE IN REFERENCE PERIOD-----																				
Number of meetings held in reference year: 11						Control, Risk and Corporate Governance Committee: 11			Human Resources Committee: 6		Strategy and Investment Committee: 12		Related-Party Transaction Committee: 7							
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 Director, who is in charge of the Internal Control and Risk Management System.

(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 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	Director	Mediobanca S.p.A.
Gianmario Tondato	Independent Director	Game Technology PLC
Ernesto Albanese	Director	Focus Investments Netherlands B.V.
Alessandro Benetton	Independent Director	Moncler S.p.A.
Tommaso Barracco	-	
Francesco Umile Chiappetta	Director	Armònia Sgr
Carolyn Dittmeier	Chair of Board of Statutory Auditors	Assicurazioni Generali S.p.A.
	Independent Director	Italmobiliare S.p.A.
Massimo Fasanello d'Amore di Ruffano	-	
Giorgina Gallo	Independent Director	Telecom Italia
Gianni Mion	Chair of Board of Directors	Space2 S.p.A. ⁵⁴
	Chair of Board of Directors	F.I.L.A. S.p.A.
Stefano Orlando	-	
Paolo Roverato	-	
Neriman Ülsever	Deputy Chair of Board of Directors	Kordsa Global
	Director	Carrefour S.A.
	Director	Aksigorta Elementary Insurance
	Director	AvivaSA Pension&life Ins.

⁵⁴ Company listed in the professional segment of Electronic Market for Investment Vehicles (MIV).

TABLE 3: STRUCTURE OF THE BOARD OF STATUTORY AUDITORS

<i>Board of Statutory Auditors</i>									
Office	Member	Year of birth	Date of first appointment *	In office since	In office until	List **	Independence pursuant to Code	Attendance at Board meetings ***	No. of other offices ****
Chairman	Marco Rigotti	1967	19/04/2012	28/05/2015	Approval of accounts at Dec. 31, 2017	m	X	16/17	1
Standing auditor	Antonella Carù	1961	28/05/2015	28/05/2015	Approval of accounts at Dec. 31, 2017	M	X	6/9	1
Standing auditor	Eugenio Colucci	1946	21/04/2009	28/05/2015	Approval of accounts at Dec. 31, 2017	M	X	17/17	0
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		
-----AUDITORS LEAVING OFFICE IN REFERENCE PERIOD-----									
Standing auditor	Luigi Biscozzi	1934	27/04/2006	19/04/2012	Approval of accounts at Dec. 31, 2014	M	X	7/8	
Alternate auditor	Giuseppe Angiolini	1939	21/04/2009	19/04/2012	Approval of accounts at Dec. 31, 2014	M	X		
Alternate auditor	Pierumberto Spanò	1961	19/04/2012	19/04/2012	Approval of accounts at Dec. 31, 2014	m	X		
Number of meetings held in reference year: 17									
Please state the 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.