



## CORPORATE GOVERNANCE

**JUVENTUS** Football Club S.p.A.

**REPORT ON THE CORPORATE GOVERNANCE  
AND SHAREHOLDER STRUCTURE**  
in accordance with Article 123-bis  
of the Consolidated Financial Law

Approved by the Board of Directors on 14 September 2012

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This Report refers to the 2011/2012 financial year and is available on the Company's website [www.juventus.com](http://www.juventus.com)



## GLOSSARY

### Code of Conduct

The Code of Conduct of listed companies approved in March 2006 (and amended in March 2010) by the Committee for Corporate Governance and promoted by *Borsa Italiana S.p.A.*. Unless otherwise specified, references to Policies, Criteria and Comments are considered those of the 2006 Code. The Code of Conduct is available on the website of *Borsa Italiana S.p.A.* ([www.borsaitaliana.it](http://www.borsaitaliana.it)).

The Code was amended in December 2011.

### Board

The Board of Directors of the Issuer.

### Issuer

The Issuer of the securities to which the Report refers.

### Financial year

The financial year to which the report refers.

### Regulation on Issuers

The regulation issued by Consob with resolution no. 11971 of 1999 on issuers, as later integrated and amended.

### Market Regulation

The regulation issued by Consob with resolution no. 16191 of 2007 on markets, as later integrated and amended.

### Consob Regulation on Related Parties

The regulation issued by Consob with resolution no. 17221 of 12 March 2010 on related-party transactions, as later integrated and amended.

### Report

The Corporate Governance Report and Ownership Structure that companies are required to prepare pursuant to article 123-bis of the Consolidated Financial Law.

### Consolidated Finance Law

Legislative Decree no. 58 of 24 February 1998 (Consolidated Financial Law), as later integrated and amended.

## Preface

The purpose of this Report, also available on the Company's website [www.juventus.com](http://www.juventus.com), is to illustrate the Corporate Governance system adopted by Juventus Football Club S.p.A. (hereafter "Juventus", the "Company" or the "Issuer") and to provide information about the Issuer's adherence to the Code of Conduct.

The Company has adopted a corporate governance system that complies with the Code of Conduct and national and international best practices, while enhancing the role of the independent directors, adopting a cutting-edge Code of Ethics unique in its business sector, establishing internal monitoring rules and adopting a system for delegating responsibilities that puts the Board of Directors at the centre of company management. Given its high profile of independence and professionalism, the Board fully guarantees the interests and protects the market and shareholders.

This Report thereby illustrates the overall framework of the Corporate Governance highlighting the aspects of conformity with the principles contained in the Code of Conduct as well as any divergence from its recommendations, as suggested in the *"Format sperimentale per la Relazione sul governo societario"* published by *Borsa Italiana S.p.A.*.

To enable of reference of the Company's rules on corporate governance, the current By-Laws incorporating the amendments approved by the Board of Directors' on 27 June 2012 to comply with the provisions of Law no. 120/2011 are attached to this Report.

Finally, note that the changes to the Code of Conduct approved in December 2011 will be implemented in the financial year 2012/2013, and will be disclosed to the public in accordance with prevailing laws and as recommended in paragraph VIII of the *"Guiding Principles and Transitory Regime"* of the Code and taking into consideration that many of the changes introduced contain principles and criteria already adopted by the Company.

## 1. Issuer profile

The Company is controlled by EXOR S.p.A., a company listed on *Borsa Italiana S.p.A.*, in turn controlled by Giovanni Agnelli e C. S.a.p.az..

The Issuer shall adopt an administration system that includes a traditional division of powers between the Shareholders' Meeting, the Board of Directors and the Board of Statutory Auditors. In addition, the Issuer has appointed the Executive Committee and established the Remuneration and Appointments Committee as well as the Audit Committee within the Board of Directors.

### Shareholders' Meeting

In accordance with the By-Laws in effect, the ordinary Shareholders' Meeting is called by the Board of Directors in the municipality of the registered office or in another location, in Italy, at least once a year and within one hundred and twenty days from the date of closure of the financial year; in the cases allowed by law, this term can be extended to one hundred eighty days. The Meeting – whether in an ordinary or extraordinary session – will also be called whenever the Board of Directors deems it appropriate and in the cases envisaged by law.

Holders of voting rights shall be entitled to attend the Meeting and they may be represented at the Meeting as permitted by law.

The provisions that regulate the way the meetings are held have been approved and modified by the ordinary meeting. The Company's Shareholders' Meeting Regulations are available on the website [www.juventus.com](http://www.juventus.com).

### **Board of Directors**

Management of the Company is entrusted to a Board of Directors composed of a number of members that may vary from three to 15 as decided by the Shareholders' Meeting. Directors remain in office for a maximum of 3 years and their mandate expires at the date of the Shareholders' Meeting for approval of the last financial statements of their period in office; Directors may be re-elected.

The Board is vested with the broadest powers for the ordinary and extraordinary management of the Company.

The Board of Directors is appointed on the basis of lists of candidates.

When the ordinary meeting has not made the appointment, the Board appoints a Chairman from among its members. It may also appoint one or more Vice Chairmen and one or more Chief Executive Officers; it also appoints a secretary, who is not necessarily a member of the Board.

The Board of Directors has appointed an Executive Committee by delegating some of its powers and has internally established a Remuneration and Appointments Committee and an Audit Committee, with the role of providing advice and proposal.

As described more in detail in Paragraph 4.2, the Board of Directors of the Company in office at the date of this Report was appointed by the Shareholders' Meeting of 27 October 2009 and its term will expire at the time of the Shareholders' Meeting called to approve the financial statements of the 2011/2012 financial year (October 2012).

### **Board of Statutory Auditors**

The Board of Statutory Auditors is made up of three acting auditors and two deputy auditors; it ensures observance of the law and the By-Laws as well as respect for the principles of correct management. It also verifies the adequacy of the Company's organisational structure for those aspects under its responsibility as well as that of the internal control system and the administrative and accounting system in addition to the reliability of the latter in correctly reporting company transactions. The Board of Statutory Auditors also monitors the effective implementation of the rules of corporate governance.

The Company By-laws contain the required clauses to ensure that one standing member of the Board of Statutory Auditors and one alternate member are nominated by the minority. The Chairman of the Board of Statutory Auditors is appointed by the minority.

As described more in detail in Chapter 13, the Board of Directors of the Company in office at the date of this Report was appointed by the Shareholders' Meeting of 27 October 2009. Its term will expire at the time of the Shareholders' Meeting called to approve the financial statements of the 2011/2012 financial year (October 2012).

Legislative Decree no. 39/2010 has also assigned new monitoring tasks to the Board of Statutory Auditors; please refer to Chapter 13 of this report for more information.

## 2. Information on the ownership structure

### a) Share capital structure

The share capital of the Issuer is € 8,182,133.28, fully subscribed and paid up; it is divided into 1,007,766,660 ordinary shares with no nominal value. The company shares are listed on the *Mercato Telematico Azionario* organised and managed by Borsa Italiana S.p.A..

The ordinary shares are nominal, freely transferable and are issued in the electronic form, in the centralised management system of *Monte Titoli S.p.A.*.

Each share gives the right to one vote at all the ordinary and extraordinary meetings in addition to other asset-related and administrative rights pursuant to applicable provisions of the law and the By-Laws.

As regards the division of net profits and the liquidation of the Company, reference should be made to articles 26 and 31 of the Juventus By-laws attached to this Report.

### b) Restrictions on the transfer of shares

There are no restrictions on the transfer of Company shares.

### c) Significant shareholdings

The following table reports - in accordance with the official information received as at 14 September 2012 - the composition of the Company's shareholding structure regarding shareholdings exceeding the threshold of 2% of share capital with voting rights.

Shareholder	Ordinary shares	Share capital (%)
EXOR S.p.A.	642,611,298	63.766%
Lindsell Train Ltd	22,181,162	2.201%

### d) Shares that confer special rights

No securities have been issued that confer special powers of control.

### e) Shareholdings of employees: mechanism for the exercise of voting rights

No forms of employee shareholding are envisaged and, at the moment, no stock option plans exist.

### f) Restrictions to voting rights

There are no restrictions to voting rights.

### g) Agreements between shareholders

No shareholder agreements as intended by article 122 of the Consolidated Finance Law exist.

#### **h) Change of control provisions and OPA related provisions of the By-Laws**

At the date of this Report no significant agreements exist of which Juventus is part that take effect, or are modified or are terminated in the case of change of control of the Company.

The By-Laws do not include exemptions to the provisions of the passivity rule nor do they provide for application of the neutralisation rules established by prevailing law.

#### **i) Authorisations to increase company share capital and for the purchase of treasury shares**

No authorisations have been made to increase company share capital or for the purchase of treasury shares. At the date of this report, Juventus does not hold treasury shares.

#### **l) Management and coordination activities**

Juventus is not subject to management and coordination activity pursuant to article 2497 of the Civil Code by the majority shareholder EXOR S.p.A. since it does not intervene in the running of the Company and performs the role of shareholder by holding and managing its controlling equity investment in the Company. There are no elements which indicate a *de facto* management and coordination activity since, among other things, the Company has full and autonomous negotiating powers in relations with others and there is not centralised cash pool scheme. In addition, the number and expertise of the Independent Directors are adequate in relation to the dimensions of the Board of Directors and the activity performed by the Company and guarantee the managerial independence of the Board in defining the general and operating strategic guidelines of Juventus.

Juventus does not exercise management and co-ordination activities for other companies.

Finally, note that the information required by article 123-bis, section one, letter i) are illustrated in the Remuneration Report, in accordance with article 123-bis of the Consolidated Financial Law (available on the website [www.juventus.com](http://www.juventus.com)), while those required by article 123-bis, section one, letter l) are illustrated in Chapter 4, of the Report dedicated to the Board of Directors.

### **3. Compliance**

Juventus, recognizing the validity of the corporate governance model described in the Code of Conduct (available on the Italian Stock Exchange website: [www.borsaitaliana.it](http://www.borsaitaliana.it)), has adopted the principles and rules of Corporate Governance outlined in this Report and which are in compliance with this Code.

This Report identifies the areas of acceptance of the provisions of the Code of Conduct and the observance of the consequent commitments. In addition, for transparency and ease of reference, it also explains and justifies any reasons for divergence from certain principles contained in the Code of Conduct by identifying, as necessary, each of the principles that have not been applied.

As noted in the Preface of this Report, the Company intends to implement the changes to the approved Code of Conduct in December 2011 in the Report of the next financial year, providing information to the public according to the provisions of prevailing law.



## 4. Board of Directors

### 4.1 Appointments and replacements

In compliance with article 13 of the Company By-Laws and in observance of Principle 6.P.1 of the Code of Conduct, the Board of Directors is appointed on the basis of lists of candidates filed at the Company no later than the twenty-fifth day prior to the date of the Shareholders' Meeting.

In the case of multiple lists, one of the members of the Board of Directors is provided by the second list that has obtained the most votes.

Lists can only be presented by shareholders which, alone or together with other shareholders, own voting shares representing the percentage established for the company by currently effective regulations. This shareholding must be proven with specific communications that must reach the company at least twenty-one days before the date of the Shareholders' Meeting. This is all announced in the notice of calling. The shareholding required for the presentation of lists of candidates for the election of the management and control bodies of Juventus pursuant to article 144-quater of the Regulation on Issuers, has been set by Consob as 2.5% of share capital.

No shareholder, nor shareholders linked by relations of control or connected as specified in the Italian civil code, may present or vote for, not even through a third party or fiduciary company, more than one list. Each candidate may be included in only one list, and will otherwise be considered ineligible.

The candidates included in the lists must be listed with progressive numbers and possess the requisites of integrity and professionalism established by law. The candidate identified under number one of the sequential order must possess the prerequisite of independence set forth by law, as well as the requirements set forth by the code of conduct in relation to company governance which the company has declared to follow.

Lists that have three or more candidates must also include candidates of different gender so as to allow the Board of Directors to comply with prevailing laws on gender balance.

The provisions aimed at ensuring compliance with prevailing law on balance between genders are applied as from the first new formation of the Board of Directors and the Board of Statutory Auditors after 12 August 2012 and will remain for three consecutive terms.

Together with each list, the filing must include detailed information on the candidates' personal and professional qualities, as well as the declarations in which the individual candidates accept the candidature and state, under their own responsibility, that they possess the requisites demanded. Candidates for whom the abovementioned rules have not been respected are ineligible. The lists, accompanied by the above information, are also published on the Company's website.

The number of Directors to be elected is decided by the Shareholders' Meeting, and the procedure is as follows:

1. all the directors to be elected except one are elected from the list that has obtained most votes, on the basis of the sequential order of the candidates on the list;
2. in observance of the law, one director is elected from the list that has obtained the second-highest number of votes, on the basis of the sequential order of the candidates on the list.

No account is taken of the lists that obtain at the meeting a percentage of votes less than half of the amount demanded for the presentation of lists.

Pursuant to the above, if the make up of the Board of Directors does not allow compliance with prevailing law on gender balance, the most recent electees of the more represented gender of the list that has obtained the highest number of votes, considering their sequential number, these electees will be replaced by the top candidates not elected from the same list of the less represented gender, in the number required to ensure respect for the above law. If application of this procedure does not allow respect of prevailing law on gender balance, the most recent electees of the better represented gender of the list that has obtained the highest number of votes, considering their sequential number, these electees will be replaced in the number required to ensure respect for the above law, with the majority vote pursuant to article 11 of the By-Laws.

The abovementioned rules for the appointment of the Board of Directors are not applied when at least two lists have not been presented or voted in the Meetings that must substitute directors during the course of their mandate. In these cases, the Shareholders' Meeting shall deliberate by majority vote while ensuring respect for the requirements of the law and the by-laws concerning composition of the Board of Directors.

The Board may replace Directors who cease to occupy office in the course of the term, as established by article 2386 of the Italian Civil Code, thus ensuring compliance with legal requirements and the By-Laws concerning composition of the Board of Directors.

If, due to resignation or other causes, the majority of Directors should leave office, the whole Board shall be deemed to be resigning and the Directors still in office should urgently call a Meeting for the new appointments.

Furthermore, the mandate of Directors appointed by the Meeting in the course of the term shall expire on expiry of the term of office of Directors in office at the time of the appointment.

As regards the requirements of integrity of the Directors required by article 147-quinquies of Consolidated Financial Law, the Board of Directors has periodically verified these requirements for all its members.

Directors who receive definitive convictions in the courts entailing additional sentences incompatible with their position are suspended from their position for the period established by the sentence.

Directors who are subject to disciplinary proceedings by bodies of the F.I.G.C. that entail the permanent expulsion from any rank or category of the F.I.G.C. shall be removed from office and may not fill or be nominated or elected to other company positions.

## **4.2 Composition**

The Board was appointed by the Shareholders' Meeting of 27 October 2009, by applying the mechanism of the voting list. At this time, two lists were presented, one from the majority shareholder EXOR S.p.A., owner of 60.001% of the ordinary shares at that date, and the other by the shareholder LAFICO S.a.l., owner of 7.502% of the ordinary shares at that date. The lists, together with the documents required by the By-Laws for their registration, were published on the Company's website [www.juventus.com](http://www.juventus.com), where they are still available for review.

On 27 October 2010, the Shareholders' Meeting integrated the composition of the Board of Directors, setting the number of its members at 11, and appointed the following directors for the remaining part of the Board mandate: Andrea Agnelli (previously co-opted to the Board of Directors on 19 May 2010), Michele Briamonte, Giuseppe Marotta, Aldo Mazza and Pavel Nedved. The Board of Directors met at the end of the Shareholders' Meeting and confirmed Andrea Agnelli as the Chairman, delegating him with operational powers. It also confirmed the operational proxies for the CEO and General Manager Jean-Claude Blanc, appointed Giuseppe Marotta as Chief Executive Officer and provided a special assignment in the sports and commercial sector to Pavel Nedved.

The Board of Directors meeting on 11 May 2011 acknowledged the resignation of CEO Jean-Claude Blanc, attributing the latter a special mandate until 30 September 2011 in order to complete the new stadium project and its inauguration. The Board, on the same date, appointed Aldo Mazzia as CEO.

Jean-Claude Blanc tendered his resignation from the role of General Manager on 11 May 2011 and, on 14 October 2011, also resigned as Director.

On 29 August 2012, Director Michele Briamonte tendered his resignation from the Board of Directors following his recent undertaking of important and demanding positions in other listed companies.

The Board of Directors in office on the date of this Report is composed of nine members, including six non-executive directors, four of whom are independent. The term of office will expire at the time of the Shareholders' Meeting for approval of the 2011/2012 financial statements.

Shown below is a summary of the composition of the Board of Directors and the office held by each Director:

Andrea Agnelli	<i>Chairman</i>	Executive
Giuseppe Marotta	<i>CEO</i>	Executive
Aldo Mazzia	<i>CEO</i>	Executive
Carlo Barel di Sant'Albano	<i>Director</i>	Non-Executive
Riccardo Montanaro	<i>Director</i>	Independent non-executive
Pavel Nedved	<i>Director</i>	Non-Executive
Marzio Saà	<i>Director</i>	Independent non-executive
Camillo Venesio	<i>Director</i>	Independent non-executive
Khaled Fareg Zentuti	<i>Director</i>	Independent non-executive

The updated profiles of the members of the Board of Directors are available for review at the Company's website, at [www.juventus.com](http://www.juventus.com).

In accordance with Application Criterion 1.C.2 of the Code of Conduct, the positions held by the current Directors in other companies listed in regulated markets or of significant interest are listed below:

<i>Name and surname</i>	<i>Company</i>	<i>Corporate Office</i>
Andrea Agnelli	Giovanni Agnelli e C. S.a.p.az. FIAT S.p.A. EXOR S.p.A.	Partner with unlim. liability Director Director
Giuseppe Marotta	-	-
Aldo Mazzia	Juventus Merchandising S.r.l.	Director
Carlo Barel di Sant'Albano	Cushman & Wakefield	Chairman CEO (Emea)
Riccardo Montanaro	-	-
Pavel Nedved	-	-
Marzio Saà	Salvatore Ferragamo S.p.A. Erfin S.p.A. Cobifer S.p.A.	Director Director Director
Camillo Venesio	Banca del Piemonte S.p.A. Confienza Partecipazioni S.p.A. Cassa di Risparmio di Ravenna S.p.A. Cedacri S.p.A. Cartasi S.p.A.	CEO and General Manager Chairman Vice Chairman Director Director
Khaled Fareg Zentuti	-	-

The independence requirements were evaluated by the Board of Directors in conformity with the criteria of independence adopted and reported elsewhere in this Report. These criteria correspond with the provisions envisaged by article 147-ter, section 4, of the Consolidated Finance Law and incorporated in the Code of Conduct.

In line with Application Criterion 1.C.2 of the Code of Conduct, the Directors accept their position when they can diligently devote the time required, while also taking into account the number of positions they hold as director or auditor in other listed companies in regulated markets, including foreign ones, in financial, banking, and insurance companies or others of significant size.

Without prejudice to the above, at the date of this Report the Board has not defined general criteria regarding the maximum number of directorship or management positions in other companies that can be considered compatible with the role as Director of the Issuer.

The Board of Directors meeting of September continually examined, case by case, the positions currently held by its members in other companies and considers that the number and type of the positions occupied does not interfere and is compatible with the effective performance of the mandate of director of Juventus.

#### **4.3 Role of the Board of Directors**

The Board of Directors is vested with every power for the ordinary and extraordinary management of the Company. It thus has the power to take all the measures considered necessary and appropriate to achieve

the Company purpose, with no exceptions, save only such action as is reserved by law for the Shareholders' Meeting.

In addition to the right to issue non-convertible bonds, the Board is also responsible for assuming decisions concerning all transactions permitted by article 2365, second paragraph of the Italian Civil Code and the spin-off of companies according to the provisions of the law.

The Board of Directors meets, at the company offices or elsewhere, as long as the site is in countries of the European Union, at least every three months, as convened by the Chairman or a Vice Chairman or by another person permitted by law whenever this is deemed appropriate, or when requested by at least three Directors or by at least two standing Auditors or by bodies with delegated powers. The Meetings are regulated in observance of the law and of the By-laws. Meetings of the Board of Directors may also be held via teleconference.

The Board of Directors exercises its powers in conformity with the Code of Conduct and thus:

- examines and approves the Company's strategic, commercial and financial plans, and the corporate governance system (Application Criterion 1.C.1, section a);
- assigns and revokes the powers of the chief executive officers and defines their limits, the forms in which they may be exercised and the regularity with which they must report to the Board on the work conducted regarding the powers assigned to them, at least every three months as specified in the By-laws (Application Criterion 1.C.1, section c);
- after examination of the proposals of the Remuneration and Appointments Committee and after consulting the Board of Statutory Auditors, decides on the remuneration of the chief executive officers and of those who occupy particular positions, as well as the subdivision of the global remuneration for the individual members of the Board of Directors and the members of the Internal Committees, when this has not been decided by the Shareholders' meeting (Application Criterion 1.C.1, section d);
- evaluates the general company performance with particular attention to situations of conflict of interest, paying particular attention to information received from the executive directors and the Audit Committee as well as regular comparison of effective results against forecasts (Application Criterion 1.C.1, section e);
- examines and approves in advance transactions of a significant economic, equity and financial impact (with particular reference to transactions with related parties - Application Criterion 1.C.1, section f) in as far as this is compatible with the decision-making speed demanded by the "transfer campaign"; in any case, the Executive Directors act within the framework of plans defined by the Board of Directors, and to which they report promptly in relation to the "Transfer Campaign" operations;
- evaluates the adequacy of the general organisational, administrative and accounting structure of the company as prepared by the chief executive officers, with particular reference to the internal control system and the management of conflicts of interest (Application Criterion 1.C.1, section b);
- reports to the shareholders at the OGM;
- establishes policies and periodically evaluates, on at least a yearly basis, the adequacy and effectiveness of the internal control system (Application Criterion 8.C.1, letters a, c).

Nine meetings of the Board of Directors were held in the 2011/2012 financial year, lasting an average of two and half hours each. These meetings discussed and deliberated on the operational performance, the results of the year, the organisational structure, the proposals regarding the most significant transactions presented by the executive Directors, changes to the By-Laws to adapt to the provisions of Law 120/2011, and updates to the Organisation, Management and Control Model, pursuant to Legislative Decree 231/2001. The Board also approved resolutions regarding corporate officers, the composition of internal committees and the determination of the compensation for Directors vested with special assignments.

During the new financial year beginning 1 July 2012, one meeting of the Board of Directors was held to discuss trends in corporate operations, the process of self-assessment of the activities of the Board of Directors and its internal Committees, as well as the approval of the draft financial statements as of 30 June 2012 and this Report. At present, at least three other meetings of the Board of Directors are planned for the 2012/2013 financial year for the approval of the interim accounting documents.

The majority of the members of the Board need to be present for its resolutions to be valid. The documentation regarding the questions on the agenda of these meetings is sent to the directors in a timely fashion to ensure that they are adequately informed in advance of the topics to be examined.

The Financial Reporting Officer attends all meetings of the Board of Directors while the managers of company departments may be invited to attend Board meetings to illustrate issues and topics for which they are responsible.

The company departments ensure that the members of the Board of Directors and the Board of Statutory Auditors receive information on the chief legislative and regulatory changes regarding the Company and company bodies.

In accordance with Application Criterion 1.C.1 of the Code of Conduct, and without prejudice to the powers delegated to the bodies (see below), major economic and financial transactions - including relating to strategic and financial plans - were reviewed and approved by the Board of Directors. In such event, the delegated bodies will make available to the Board of Directors, with reasonable advance notice, an overview of the operation, specifically highlighting the economic and strategic aims, the economic sustainability, the forms of execution as well as the consequent implications for Company operations.

The Company did not consider it necessary to make an advance determination of guidelines and criteria for assessing the significance and / or relevance of the operations being examined and approved by the Board of Directors, but maintained the parameters of significance required by currently effective law. The Board of Directors, in compliance with currently effective legislation, has also approved a procedure for transactions with related parties which is available for review on the website [www.juventus.com](http://www.juventus.com). For transactions with related parties, see Chapter 11 of this Report.

The Board of Directors' meeting of 14 September 2012, in accordance with Application Criterion 1.C.1, letter g of the Code of Conduct, has completed - also for the year 2011/2012 - a self-assessment on the size, composition and functioning of the Board and its Committees.

The self-assessment process was completed by filling out a specially designed questionnaire whose content

was defined and approved upon proposal of the Audit Committee.

The questions asked in the questionnaire were concerned with the analysis of (i) the size and composition of the Board of Directors, with reference to the characteristics and professional experience of the Directors; (ii) its functioning, with particular reference to exercising the Board's power to carry out auditing, policy and control activities and finally its involvement in the definition of strategic guidelines; (iii) the composition and roles of the internal Committees of the Board; (iv) knowledge of sector regulations and participation of directors in Board meetings and in the decision-making process.

This questionnaire was therefore completed by the individual directors and the results which emerged from the analysis were presented, in aggregate and anonymous format, to the Board of Directors by the Audit Committee.

An analysis of the results of the questionnaire showed that the Board considered the composition and functioning of the administrative body to be appropriate to the managerial and organizational needs of the Issuer and confirmed the diversified nature of the professionalism of the directors who contribute their skills and experience to the decision-making process; positive responses were also provided with reference to the frequency of the meetings. With regard to the internal committees, the evaluation was also positive with respect to the role and information flows guaranteed by these committees for the Board.

#### 4.4 Delegated bodies

##### *Chairman and CEOs*

Pursuant to article 21 of the By-laws, the Chairman, Vice Chairman and Chief Executive Officers in the framework and exercise of the powers conferred on them may sign on behalf of and represent the Company to execute the Board of Directors' decisions and in law.

The Board of Directors of 11 May 2011 confirmed the powers granted to the Chairman, Andrea Agnelli, and gave the CEO's Giuseppe Marotta and Aldo Mazzia specific and equal management powers. The system of the attribution of powers at Juventus defines clearly the powers attributed by the Board of Directors to the Chairman and to the Chief Executive Officers.

The Company deems it proper to assigned specific management powers on the Chairman to safeguard the Company's interests, transparency and joint responsibility (Principle 2.P.5.).

All transactions that exceed the threshold amounts envisaged by the specific powers attributed to the Chairman and the Chief Executive Officers, as well as operations of real estate nature - with the exception of rental and leasing contracts lasting no more than 9 years and totalling less than € 10 million - must obtain the prior approval of the Board of Directors.

The Board of Directors also has the exclusive responsibility for any decisions regarding significant legal disputes or court cases concerning the Company image and brand. The Board of Directors may also, as permitted by law, attribute powers to other directors, executives, representatives and managers who will exercise them within the limits set by the Board itself.

### *Executive Committee*

The Board of Directors of 27 October 2010, in accordance with article 18 of the Company By-Laws, has appointed an Executive Committee and delegating the latter with the following powers:

- examining the budget and the medium-term multi-year plan in order to present these for discussion to the Board of Directors for its relative decisions;
- approving the strategies relative to the Transfers Campaign;
- deliberating and approving acquisitions and / or transfer of contracts as part of sporting activities, including those pursuant to article 5 of Law no. 91 of 23 March 1981, up to a maximum of Euro 40 million per individual transaction / contract; this amount must be considered as a total for the duration of the contract and including additional and / or implicit purchasing charges (e.g.: commissions and services invoiced from agents and consultants);
- deliberate and approve the undersigning of contracts for the establishment of relationships relative to the sporting services of players as well as contracts with coaches and technical staff within a maximum ceiling of Euro 40 million per transaction / contract; this amount must be considered as a total for the duration of the contract and including additional and / or implicit purchasing charges (e.g.: commissions and services invoiced by agents and consultants) and any taxes payable by the Company;
- deliberate and approve the operational management structure (organizational chart).

Following Jean-Claude Blanc's resignation, the Board of Directors met on 18 October 2011 to replenish the Executive Committee by appointing the director Camillo Venesio.

The members of the Executive Committee are currently five:

- Andrea Agnelli (Chairman)
- Giuseppe Marotta
- Carlo Barel di Sant'Albano
- Aldo Mazzia
- Camillo Venesio

During the 2011/2012 financial year, the Executive Committee met three times and its meetings are attended by standing auditors and by the directors and / or company executives when invited by the Committee.

### *Information to the Board*

The information required by article 150 of Consolidated Financial Law and article 2381 of the Italian Civil Code is provided by the Directors to the Board of Statutory Auditors and by the delegated bodies to the Board of Directors and the Board of Statutory Auditors in the course of the meetings of the Board of Directors, which are held at least every three months. Directors and Statutory Auditors receive adequate information on atypical and/or unusual transactions or with related parties, conducted in the exercise of the powers delegated to them.



#### 4.5 Other Executive Directors

There are no other Executive Directors serving on the Board of Directors pursuant to Application Criterion 2.C.1.

#### 4.6 Independent Directors

The Board of Directors includes an adequate number of Independent Directors (4 out of 9).

The conditions of independence applied are as follows:

- a) must not be the spouse or relative up to the fourth degree of another Company Director;
- b) must not be the Director, spouse or relative up to the fourth degree of Directors, of a subsidiary company that controls or is subject to common control by the Company;
- c) must not be linked to the Company or to companies controlled by it or to companies that control it or those subject to common control or to other Directors or to those specified in the sections a) and b) above by relations as employee or consultant or other professional, economic and financial relations;
- d) must not control the Company, directly or indirectly, even through controlled or trust companies or third parties nor to be able to exercise considerable influence over it or to participate in a shareholding agreement through which one or more subjects can exercise control or considerable influence over the Company (Application criterion 3.C.1., lett. a);
- e) must not have been in the previous three financial years a significant figure in the Company, in one of its subsidiaries with strategic importance or in a company subject to joint control with the Company, or in a company or body that, even together with others through a shareholding agreement, has a majority interest in the Company or is able to exercise significant influence over it (Application Criterion 3.C.1., letter b);
- f) must not have, nor had in the previous financial year, directly or indirectly (for example through subsidiary companies or in which s/he is a significant figure, or as a partner in a professional studio or consultancy firm significant commercial) financial or professional relations (Application criterion 3.C.1., section c):
  - with the Company, one of its subsidiaries, or with leading figures in it;
  - with a person or entity which, together with others through a shareholding agreement, controls the Company, or – if a company or body – with any of its significant figures;
- g) must not be, nor have been in the previous three financial years, an employee of one of the above mentioned companies or bodies (Application criterion 3.C.1., section c);
- h) must not receive, nor have received in the previous three financial years, from the Company or a subsidiary or parent company, significant additional remuneration with regard to the “fixed” remuneration as a non-executive Director of the Company, including the participation in incentive plans linked to company performance, also including share-based incentives (Application criterion 3.C.1., section d);
- i) must not have been a Director of the Company for more than nine years in the last twelve years (Application criterion 3.C.1., section e);

- j) must not hold a position as an executive director in another company in which an executive director of the Company holds a position as Director (Application criterion 3.C.1., section f);
- k) must not be a partner or director of a company or entity belonging to the network of companies entrusted with the auditing of Company accounts (Application criterion 3.C.1., section g);
- l) must not be a close family member cohabiting with a person in one of the situations specified above (Application criterion 3.C.1., section h).

The Board of Directors verifies, as soon as possible, the existence of the prerequisites of independence required by the Code of Conduct for each of the independent directors, even in accordance with article 147-ter, paragraph 4, of the Consolidated Financial Law. The Board of Directors evaluates annually the independence of Directors taking into account of the information provided by those directly involved. The Board makes public the outcome of its evaluations, at the time of the appointment, by means of a communication notice to the market and, later, in the framework of the annual report on corporate governance (Application criterion 3.C.4.).

On the basis of the information provided by the Directors and available to the Company, the Board of Directors' meeting of 14 September 2012 ascertained the requisites of independence for the Directors Riccardo Montanaro, Marzio Saà, Camillo Venesio and Khaled Fareg Zentuti. The Board of Directors also ascertained that all the independent directors met the requirements of independence envisaged for the members of the board of statutory auditors by the Consolidated Finance Law.

The Board of Statutory Auditors has verified positively the correct application of the criteria and procedures adopted by the Board in evaluating the independence of its own members (Application criterion 3.C.5.).

#### **4.7 Lead Independent Director**

The conditions required by the Code having been satisfied, the Board of Directors of the Company - during its meeting of 27 October 2009 - appointed the director Marzio Saà as the Lead Independent Director.

The Lead Independent Director represents a point of reference and coordinator for the actions and contributions of the non-executive Directors and, in particular, the independent directors.

## **5. Treatment of company information**

The Board of Directors has adopted an internal procedure for handling privileged information, which means specifically - pursuant to article 181 of the Consolidated Financial Law - non public information directly or indirectly concerning the Company or one or more financial instruments issued by the Company, which, if made public, could significantly influence the prices of the financial instruments issued by the Company.

The procedure aims to regulate the information flow, the responsibilities and means of dissemination of confidential information to third parties.

The Chairman and the Chief Executive Officers are responsible for the management and communication to the public and authorities of confidential information, with particular attention to price-sensitive information. Communications to authorities and the public - including shareholders, investors, analysts and the media

– are provided in the terms and modalities specified in the regulations in force, respecting the criteria of correctness, clarity and parity of access to information (Application criterion 4.C.1.).

Directors and Statutory Auditors must maintain the confidentiality of the documents and information acquired when performing their duties and observes all the provisions regarding the external communication of such documents and information. The same duties of confidentiality are also applied to Company managers and employees.

In order to satisfy the regulations in force, the Company has created a Register of the people who, because of their working or professional activities or the functions performed, have access to the information envisaged by article 114, paragraph 1, of the Consolidated Financial Law. For this purpose the Company has established a specific organisational procedure.

The Company has also established an organisational procedure to satisfy the obligations as per article 114, paragraph 7, of the Consolidated Financial Law (so-called “Internal Dealing”). Note that the matters concerning transparency of the Company's share transactions or financial instruments related thereto, executed directly or through a third party by significant persons or by persons related thereto, is governed by the law and by the implementing Consob regulation (article 152-sexies et seqq. of the Issuers’ Regulation).

For all further information, reference should be made to the documentation published on the website [www.juventus.com](http://www.juventus.com).

## 6. Internal committees

Two committees have been created in the framework of the Board of Directors to provide advisory services and proposals: the Remuneration and Appointments Committee and the Audit Committee (Principle 5.P.1.).

To examine the matters relating to the remuneration of Directors and questions related to appointments, the Board of Directors has decided to create a single Committee as the issues are closely inter-related.

The Audit Committee has also been identified as the Committee for transactions with related parties. Solely with regard to transactions of lesser importance pertaining to the remuneration and compensation of directors, the Committee for transactions with related parties is equivalent to the Remuneration and Appointments Committee.

## 7. Remuneration and appointments committee

The Remuneration and Appointments Committee is composed of the following non-executive Directors, the majority of whom independent:

- Carlo Barel di Sant’Albano (Chairman);
- Riccardo Montanaro;
- Camillo Venesio.

The Remuneration and Appointments Committee performs primarily advisory functions in support of the Board of Directors and has the following roles:

- to formulate proposals related to the fixed and variable compensation of the Executive Directors, including the participation in bonus plans, monitoring implementation of the decisions taken by the Board of Directors (Application Criterion 7.C.5.);
- to formulate proposals for any remuneration paid to members of internal committees of Directors established by the Board of Directors (Application Criterion 7.C.5.);
- to periodically evaluate the criteria used for remuneration of directors with strategic responsibilities, overseeing their application on the basis of information provided by the executive directors and formulate general recommendations on the matter for the Board of Directors (Application criterion 7.C.5.).

The Board of Directors, solely for less significant transactions regarding remuneration and compensation of Directors, has identified the Remuneration and Appointments Committee as the committee responsible for transactions with related parties.

The Committee can engage consultants to acquire the necessary information and opinions on the aspects concerning the issues to be addressed and, to this end, can use the financial resources necessary.

Four meetings of the Remuneration and Appointments Committee were held during the course of the 2011/2012 financial year. These meetings were concerned with reviewing and deliberating upon the organisational structure, the proposals concerning the compensation of the executive directors, as well as reviewing the long-term bonus plan of top management related to the objectives of the medium-term plan approved on 23 June 2011. Furthermore, in the new financial year beginning 1 July 2012, one meeting of the Committee was held in order to discuss proposals relating to the variable compensation of the executive directors.

Remuneration and Appointments Committee meetings are minuted.

The Remuneration and Appointments Committee also met to review the Remuneration Report, pursuant to article 123-ter of the Consolidated Financial Law (available on the website [www.juventus.com](http://www.juventus.com))

## **8. Remuneration of directors**

On 14 September 2012, the Board of Directors, on the proposal of the Remuneration and Appointments Committee, approved the Remuneration Report in accordance with article 123-ter of the Consolidated Financial Law (available on the website [www.juventus.com](http://www.juventus.com)), which provides all the information concerning the remuneration policy adopted by the Company. The remuneration policy will be submitted for review by the Shareholders' Meeting called to approve the financial statements of the year ended 30 June 2012.

For detailed information on the remuneration policy adopted by the Company, readers are referred to this document.

## 9. Audit committee

The Audit Committee is composed entirely of Independent Directors:

- Marzio Saà (Chairman);
- Riccardo Montanaro;
- Camillo Venesio.

The Audit Committee has the following primary functions:

- to assist the Board of Directors in the definition of the guidelines for the system of internal control;
- to assist the Board of Directors in the identification of an executive director entrusted with overseeing the operations of the system of internal control;
- to assist the Board of Directors in the evaluation, at least once a year, of the adequacy, effectiveness and effective functioning of the system of internal control;
- to assist the Board of Directors in the description of the essential elements of the system of internal control illustrated in the report on corporate governance;
- to assess, together with the manager responsible for preparing the financial reports and the independent auditors, the correct use of the accounting principles (Application criterion 8.C.3., section a);
- on the request of the executive director in charge, to express opinions on specific aspects regarding the identification of the main company risks as well as the planning, production and management of the system of internal control (Application criterion 8.C.3., section b);
- to examine the work plan prepared by the person responsible for internal control as well as the periodical reports produced (Application criterion 8.C.3., section c);
- to assist the Board of Directors in verifying the operations of the Monitoring Unit as per Legislative Decree 231/2001;
- to perform other tasks assigned by the Board of Directors (Application criterion 8.C.3., section f);
- to evaluate the observations that emerge from the reports of the independent auditors, from information from the Board of Statutory Auditors, from reports of the Monitoring Unit and investigations and examinations made by third parties;
- to report to the Board of Directors, at least every six months at the time of approval of the financial statements and the half-year report, on implemented activities and on the adequacy of the internal control system (Application criterion 8.C.3., letter g);.

Similarly to what was provided for in relation to the Remuneration and Appointments Committee and within the realm of related party transactions involving remuneration, the Board of Directors has identified the Audit Committee as the committee responsible for transactions with related parties for all other matters.

In order to perform its functions, the Audit Committee may access company information and the departments that are needed to conduct its tasks and may commission, with the possibility of using Company facilities,

independent consultants or other experts, to the degree felt necessary to conduct its work.

The Audit Committee maintains relations with the Board of Statutory Auditors, the Independent Auditors, the Internal Auditor, as well as the Internal Audit Manager and the Financial Reporting Officer. Furthermore, the Audit Committee meets at least once a year with the Monitoring Unit as envisaged by Legislative Decree 231/2001 (described elsewhere in this report) to exchange information regarding their respective control activities. In the event of particular anomalies found during control operations, information between these bodies will be prompt.

The meetings are attended by the Board of Statutory Auditors, the Internal Auditor and the Internal Control Manager, acting as secretary, and, on invitation - depending on the issues to be discussed - one or more internal members of staff (company managers) or external parties (independent auditors).

Seven meetings of the Audit Committee were held during the course of the 2011/2012 financial year. Committee meetings are drafted into minutes.

The purpose of the meetings was the analysis of the company processes most closely related to its functions, as well as issues on which the Committee felt itself able to give its contribution due to the specific professional competencies of its members. In particular, the following were analysed: the valuation criteria and accounting principles underlying the preparation of income statements and balance sheets submitted to the Board of Directors, internal procedures and the principles of Corporate Governance. The Audit Committee focused specifically on the process for regular evaluation of the major risks faced by the Company as well as the updating of the Organisational, Management and Control Model pursuant to Legislative Decree no. 231/2001 which was adopted in the Board of Directors' meeting of 10 May 2012. It also monitored the effectiveness of the audit process by examining the results presented in the reports of independent auditors and also reported to the Board of Directors on the adequacy of the internal control system by drafting the relative reports.

Finally, the Audit Committee was entrusted with the creation of a self-assessment questionnaire by the Board of Directors relative to the size, composition and functioning of the Board and its Committees; this questionnaire will be submitted to the Directors. The Audit Committee also managed the collection of data which is necessary for the self-assessment and brought these attention of the Board of Directors in aggregate and anonymous form. The results of the self-assessment process are illustrated in Chapter 4 of this Report.

During the current financial year 2012/2013, the Audit Committee already held one meeting for the analysis of the results of the abovementioned periodic process of self-evaluation of the Board of Directors and for the analysis of the financial statements of the period, including the results of the auditing activities conducted.

## **10. Risk management and internal control system**

The Code of Conduct defines the Internal Control System as the set of rules, procedures and organizational structures intended to enable - through an adequate process of identification, measurement and monitoring of primary risks - the appropriate and correct management of the company in a manner which is consistent with pre-set objectives (Principle 8.P.1).

Particularly with reference to the financial reporting process, the objectives cited by the abovementioned

definition can be identified as the reliability, accuracy, credibility and timeliness of the reporting itself.

These objectives are attainable both through the definition of norms and control activities (see below, § 10.2.3) as well as through the implementation of a process for identifying, evaluating and monitoring risk.

For this purpose, Juventus has formally defined the activities which aim to integrate and streamline the process of risk management through the establishment of the Risk Management & Reporting Policy, a Risk Reference Model of reference and the sharing of a methodology for evaluating risks and uncertainties. This process allows for the evaluations to be implemented by following an approach which focuses on areas of greatest risk and significance or on risks of significant error, even when due to fraud in the financial statements and related reporting documents.

## 10.1 Policy guidelines<sup>1</sup>

### 10.1.1. Identification of risks

In recent years Juventus has undertaken a series of initiatives to improve the Company's organisational mechanisms and Internal Control System based on a process of identification and monitoring of the chief risks.

In the identification of the risks to be submitted for the examination of the Board of Directors, the executive director responsible for the Internal Control System must concentrate on the risks with the highest potential impact on the Company. These risks are identified on the basis of the following criteria:

- the nature of the risk, with particular reference to risks of a financial nature, those regarding the observance of accounting standards and those with a potentially significant impact on the Company's reputation;
- the probability that the risk occurs and its extent;
- the Company's exposure to risk.

### 10.1.2 Implementation of the Internal Control System

The Internal Control System adopted by Juventus is an essential element of the system of corporate governance and assumes a fundamental role in the identification, minimisation and management of the significant risks for Juventus contributing to the protection of the shareholders' investments and the Company's assets. In addition, the Internal Control System facilitates the effectiveness of company operations contributes to ensuring the reliability of financial communication and the observance of standards and regulations.

In particular, this system is implemented through:

- a) the identification of Corporate Governance rules with which the behaviour of all personnel complies;
- b) the creation of constant overview of management through the adoption of formalised and shared models and operational procedures;
- c) the definition of a system of powers, functions and powers of representation able to support behaviour consistent with the organisational structure.

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<sup>1</sup> Application criteria 8.C.1., lett. a), d)

### *10.1.3 Evaluation of the effectiveness of the Internal Control System*

The periodical verification of the adequacy and the effectiveness and any revision of it are an essential part of the Internal Control System, in order to ensure its full and correct efficiency.

The Board of Directors of Juventus pays specific attention to the themes relating to the Internal Control System through careful evaluation of the works and reports of the Audit Committee. The Chairman of the Audit Committee reports on the occasion of the Board meetings on the work of the Committee itself and the adequacy of the Internal Control System through the provision of specific six-monthly reports.

Particularly with reference to the risks relevant to financial reporting, the risk management process and reporting has allowed for the implementation of a structured and shared process for evaluating existing control tools that guarantee coverage of the risks themselves, thereby limiting the potential risk of significant error in financial reporting.

Verifying the effectiveness of controls relative to the financial reporting process is carried out through testing activities implemented by the Internal Auditing Department. The results of the tests are periodically reported to the Financial Reporting Officer as well as the executive director entrusted with the Internal Control System, and the Audit Committee, which in turn will report to the Board of Directors and finally to the Board of Statutory Auditors. The activities relative to the evaluation of controls may include the identification of compensating controls, the definition of corrective actions or improvement plans.

## **10.2 The rules of the Internal Control System**

Juventus, as defined in the Code of Ethics, intends to spread at all levels, a control-oriented approach, characterised by the awareness of the existence of internal controls and the contribution that this gives to the improvement in efficiency.

### *10.2.1 Code of Ethics*

The Juventus Code of Ethics is thus an integral part of the Internal Control System and expresses the principles of corporate correctness that the Company recognises as its own and to which it demands observance by directors, auditors, employees, consultants, professional football players, FIGC registered technical personnel, clients and suppliers.

At the time of introduction of the new crimes pursuant to the cases provided for by Legislative Decree no. 231/2001, the Code of Ethics is updated, where necessary. Any potential amendments incorporate and formalize the ethical principles relevant to the prevention of new crimes covered by the decree itself.

The Code of Ethics, which is at cutting edge in the Company's operating sector, is based on the following key principles to:

- promote the sports ethic and conciliate the professional and economic dimensions of football with its ethical and social values, maintaining at the same time a style of conduct in harmony with its tradition and respecting its own supporters and, more in general, all sports fans;
- create value for its shareholders through the enhancement of the brand, the maintenance of a sports organisation of an excellent technical level, the examination and implementation of projects for the diversification of activities;



- maintain and develop relations of trust with its stakeholders, i.e. all the categories of individuals, groups or institutions whose contribution is needed to achieve company goals.

In addition, the Code of Ethics is distributed to all employees, including professional players, as well as the technical staff with membership cards and all other interested parties; it is then posted on the official website of Juventus in the section on Corporate Governance ([www.juventus.com](http://www.juventus.com)). Consultants, suppliers and commercial partners have also been informed of the adoption of the Code of Ethics through the mailing of information or, when entering into contracts, the inclusion of specific provisions recalling the principles expressed in it.

#### *10.2.2 Organisational model pursuant to Legislative Decree 231/2001*

The Company has adopted the model of organisation, management and control envisaged by Legislative Decree 231/2001 regarding the administrative responsibilities of legal entities and keeps it constantly updated with regulatory and legal changes.

As in the phase of adoption, the updates of the Model are preceded by a preliminary monitoring stage of all the activities undertaken by company functions so as to:

- identify the most significant risk factors that could facilitate the occurrence of offences envisaged by the regulations;
- to set up the controls needed to reduce these risks to the minimum.

This Model, which is one of the pillars of the Internal Control System for Juventus, is composed of a general part that contains, in addition to the regulatory references, the description of the Model and the reasons why it has been adopted, as well as the description of the characteristics, functions and powers of the Monitoring Unit. The general part also examines questions concerning the training of personnel and the means of dissemination of the Model as well as the disciplinary system and the related procedure for managing fines and penalties.

The model is also composed of "Attachments" which include the Code of Ethics, the regulations, the composition and causes of non-eligibility, revocation or suspension of the members of the Supervisory Body and by "Special Parts" related to the types of crimes provided for by the Decree and considered relevant for Juventus due to its specific operations.

The Model is available in full on the Company's website: [www.juventus.com](http://www.juventus.com).

The company procedures and the system of powers to guarantee control of the decision-making processes and the respect for regulation specifications are also an integral part of the Organisation, Management and Control Model.

The Organisational Model currently in force was adopted during the meeting of the Board of Directors of 10 May 2012.

The Supervisory Body, appointed by the Board of Directors on 27 October 2009, is composed as follows:

- Guglielmo Giordanengo (Chairman);
- Alessandra Borelli;
- Fernando Massara.

The Monitoring Unit has the task of overseeing the functioning and observance of the Model of organisation, management and control, the adequacy of the Model in relation to the company structure and its effective capacity to prevent offences being committed. This body has the specific professional competencies to conduct the task assigned and take constant action.

The Supervisory Body will remain in office for the same period as the Board of Directors and thus until the Shareholders' Meeting called to approve the financial statements at 30 June 2012.

During the course of the 2010/2011 financial year, the Supervisory Board held seven meetings. Its meetings are drafted into minutes.

The meetings were mainly concerned with the following: updating the organizational, management and control model; examination of the corporate structure dedicated to the health and safety of workers under Consolidated Act 81/2008, for that falling under its competence; the examination of organizational procedures adopted by company departments in order to prevent the commission of the crimes pursuant to Legislative Decree no. 231/2001; and training activities deemed essential for the proper implementation of the Model.

### *10.2.3 Internal Control System on Financial Reporting*

With reference to Internal Control System for financial reporting, the company has implemented and maintains a group of administrative and accounting procedures that are in line with best practices. In particular, the Administrative and Accounting Control Model is an important element of the Internal Control System in that it helps to ensure that the Company is not exposed to excessive financial risks and that internal and external information is reliable. The objective of this model is also to define:

- a) the guidelines of the control system;
- b) the responsibilities, means and powers to confer on the Manager responsible for preparing the Company reports;
- c) the behavioural regulations to be observed by Company personnel involved in any way in the implementation of the accounting control system;
- d) the roles and responsibilities attributed to the company management and functions involved in preparing, distributing and verifying the accounting information released to the market;
- e) the process of assigning internal responsibility to company department and function managers;
- f) the process of external attestation under the responsibility of the Chief Executive Officer and the Manager responsible for preparing the financial reports.

### 10.3 The organisational structure of the Internal Control System

In addition to the Board of Directors, the Board's Internal Committees, and the Board of Statutory Auditors, the organisational structure of the Internal Control System of Juventus also includes the positions described below.

#### 10.3.1 Director entrusted with overseeing the internal control system

The Board of Directors meeting of 11 May 2011 identified the Chief Executive Officer Aldo Mazzia as the director entrusted with monitoring the operations of the internal control system (Application criterion 8.C.1, section b).

The executive director has the responsibility for:

- identifying the main company risks regarding the efficiency of company transactions, the reliability of financial information, the respect of laws and regulations and the safeguard of company assets (Application criterion 8.C.5, section a);
- submitting these risks and the measures taken to reduce and manage them for examination and evaluation by the Board of Directors (Application criterion 8.C.5, section a);
- planning, managing and monitoring the Internal Control System, answering directly to the Board of Directors (Application criterion 8.C.5, section b);
- proposing to the Board of Directors the appointment, removal from office and remuneration of one or more Internal Control managers (Application criterion 8.C.5, section c).

#### 10.3.2 Internal audit and Internal Audit manager

The Company has established the Internal Audit function, as envisaged by the Code of Conduct (Application criterion 8.C.7), in force as of 1 April 2008.

On 7 August 2008 the Board of Directors appointed the Internal Auditing Department manager as the manager of the internal control system.

This person is entrusted with the tasks of evaluation and constant monitoring of, and giving impetus to the current internal control system. The person responsible, who in performing these duties has complete independence and no hierarchical constraints (Application criterion 8.C.6., section b), has adequate access to perform the functions required (Application criterion 8.C.6., section d), has direct access to all the information useful for performing these tasks (Application criterion 8.C.6., section c), reports periodically to the Chairman, to the Audit Committee, to the Board of Directors and to the Board of Statutory Auditors on its activities.

The Internal Audit manager and Internal Control Manager are responsible for:

- assisting the Executive Director entrusted with overseeing for the Internal Control System in planning, managing and monitoring the Internal Control System;
- conducting specific and programmed activities to verify any shortcomings in the Internal Control System, identifying weaknesses and needs for improvement (Application criterion 8.C.6., section a);
- verifying that the rules and procedures that constitute the terms of reference of the control process are respected and that those involved work in line with the objectives set;

- preparing every year a work plan and submits it to the Audit Committee;
- preparing a six-monthly report on its work and submitting it to the Executive Directors, the Audit Committee and the Board of Statutory Auditors (Application criterion 8.C.6., section e).

#### *10.3.3 Executive responsible for financial reporting*

The Board of Directors' meeting of 23 June 2011, in accordance with article 19 of the Company By-Laws and following a consultation with the Board of Statutory Auditors, appointed Marco Re, the Finance, Planning and Control Manager, as the executive responsible for financial reporting.

The manager responsible for preparing the financial reports has all the powers necessary to exercise his role, including expenditure. The powers attributed can be exercised individually and with reference to the specific functions assigned and, consequently, purely to perform the actions required to implement them in the interest of the company and in observance of the law. The entrusted executive, with reference to the exercising of the abovementioned powers, must periodically report to the Chief Executive Officer and at least once a year to the Board of Directors in relation to implemented activities and sustained costs.

#### *10.3.4 Employees*

All employees, according to the tasks assigned by the Company ensure the effective functioning of the Internal Control System as part of their responsibility in achieving the objectives set.

## **11. Interests of directors and related party transactions**

The information envisaged by article 150 of Legislative Decree 58/1998 and article 2381 of the Italian Civil Code is provided by the Directors to the Board of Statutory Auditors and the delegated bodies to the Board of Directors to the Board of Statutory Auditors in the course of the meetings of the Board of Directors, to be held at least every three months.

The delegated bodies also provide Directors and Auditors with adequate information on atypical and/or unusual transactions or with related parties, conducted in the exercise of the powers delegated to them.

When a Director has an interest in an operation (even if only potential), pursuant to article 2391 of the Italian Civil Code, the Board of Directors and the Board of Statutory Auditors must be informed in a timely fashion of the nature, terms, origin and extent of this interest.

Pursuant to the CONSOB Regulation no. 17221 of 21 March 2010, the Board of Directors - following approval from the Audit Committee, appointed for this purpose as the committee of competence - adopted the "Procedures for related party transactions" (available at the website, [www.juventus.com](http://www.juventus.com)). These procedures entered into effect on 1 January 2011 and contain rules that ensure transparency as well as substantive and procedural fairness of all transactions with related parties.

For this purpose, the following types of transactions with related parties have been identified:

- (i) operations of "major significance": those (i) which exceed the threshold of 5% - or 2.5% in the case of transactions executed with the parent company Exor S.p.A. or with entities that are related to the latter and which in turn are correlated with the company - of at least one of the three parameters provided for

by legislation (ratio of transaction value / shareholders' equity of the Company; ratio of assets of the entity subject to the operation / assets of the company; ratio of liabilities of the entity subject to the operation / assets of the company. In the case of these operations, prior approval of the Board of Directors is required along with the binding approval of the Committee for transactions with related parties, in addition to a more stringent regime of transparency given that, in such circumstances, an information document prepared in compliance with current legislation must be made available to the public;

- (ii) transactions of "minor significance": those that do not exceed the thresholds outlined above and do not fall within the residual category of transactions of negligible amounts. In the case of these transactions, a less stringent procedure is provided for and requires, before approving the transaction, a justified and non-binding opinion of the Committee for transactions with related parties.

The procedures also provide for some cases of exemption for transactions for negligible amounts as well as for ordinary transactions completed on terms equivalent to those of the market or under standard conditions, and other cases that are explicitly provided for by law.

Finally, it should be noted that - solely with regard to transactions of lesser significance pertaining to the remuneration and compensation of directors - the Committee for transactions with related parties is equivalent to the Remuneration and Appointments Committee.

Two meetings of the Committee for transactions with related parties were held during the 2011/2012 financial year, lasting an average of one and half hours. These meetings centred on the proposed agreement with Fiat S.p.A. for sponsoring the jersey of the First Team starting from the 2012/2013 football season.

## 12. Appointment of auditors

In accordance with the currently effective Company By-Laws, the Board is constituted of three acting auditors and two alternate auditors.

Pursuant to the by-laws, the election of one auditor and one alternate auditor is reserved for the minority.

The Board of Statutory Auditors is appointed on the basis of lists of candidates filed at the Company no later than the twenty-fifth day prior to the date of the Shareholders' Meeting, in which the candidates are listed in sequential order. The list is made up of two sections: one of candidates for acting Auditor and another for candidates for alternate Auditor, in a number not exceeding the Auditors to be elected.

Lists can only be presented by shareholders which, alone or together with other shareholders, own voting stock representing the percentage established for the company by currently effective regulations; The shareholding required for the presentation of the lists of candidates for the election of the Boards of Directors and Statutory Auditors and Independent Auditors of Juventus pursuant to article 144-quater of the Issuers' Regulation, has been set by Consob as 2.5% of the share capital. This shareholding must be proven with specific communications that must reach the company at least twenty-one days before the date of the Shareholders' Meeting. This is all announced in the notice of calling.

Considering both sections, the lists that have three or more candidates must also include candidates of different gender in the first two slots of the section related to standing auditors, so as to allow the Board of

Statutory Auditors to comply with prevailing laws on gender balance.

Lists must be submitted together with (Application Criterion 10.C.1.):

- a) information regarding the identity of the shareholders that have presented lists, with the indication of percentage of the overall shareholding and certification that demonstrates the right to this shareholding;
- b) a declaration of shareholders other than those that hold, even jointly, a controlling share or relative majority, certifying the absence of related links with the latter covered by the regulations in force;
- c) full information on the personal and professional characteristics of the candidates, as well as a declaration by them of possessing the prerequisites required by law and the company by-laws and their acceptance of the candidature;
- d) the list of directorship and control positions occupied by candidates in other companies, with the undertaking to update this list at the date of the meeting.

Candidates for whom the abovementioned rules have not been respected are ineligible.

The lists, accompanied by the above information, must also be promptly published on the Company's site (Application criterion 10.C.1.).

In the event that, at the date of the above deadline, only a single list has been registered, i.e. only lists presented by shareholders who, on the base of the abovementioned provisions, are connected with each other in accordance with currently effective regulations, lists may be presented up to the third day following that date. In this case, the threshold specified above is reduced by half. Lists can be filed through at least one remote means of communication in the manner stated in the notice of calling of the shareholders' meeting that enables identification of the parties filing the lists.

No shareholder may present or vote for more than one list, not even through a third party or trust company. Shareholders belonging to the same group and shareholders which have stipulated a shareholding agreement relative to shares in the company may not present or vote for more than one list, not even through a third party or trust company. A candidate may only be present in one list, and otherwise will be ineligible.

The only candidates who can be included in the lists are those for whom the limits of positions set by applicable regulations are respected and those who meet the requirements set by the regulations themselves and the Articles of Association. Outgoing Auditors may be re-elected.

For the purposes envisaged by Article 1, section 2, paragraphs b) and c) and section 3 of Ministerial Decree no. 162 of 30 March 2000 on the professional requirements of members of the Board of Statutory Auditors of listed companies, topics closely relevant to the company's activities mean commercial law, industrial law, sports law, business economics and financial sciences as well as the other similar or comparable subjects, even if denominated differently, while sectors strictly related to the activities in which the company operates mean the sectors regarding sports or professional sports.

The election of the members of the Board of Statutory Auditors is conducted as follows:

1. two standing auditors and one alternate auditor are elected from the list that obtained the highest number of votes in the meeting, on the basis of the sequential order in which they are listed in the sections of the list;

2. the remaining standing auditor and the other alternate auditor are elected from the second list that is not connected to the shareholders of reference pursuant to the regulations in force that has obtained the highest number of votes in the meeting on the basis of the progressive order in which they are listed in the sections of the list; in the event of parity between a number of lists, the candidates elected are those of the list presented by shareholders holding the largest shareholding, or, secondarily, by the highest number of shareholders.

The Chairman of the Board of Statutory Auditors shall be the member indicated as the first candidate on the list indicated in point 2 above.

If it is not possible to make the appointment as described above, the Shareholders' Meeting shall decide with a majority vote while ensuring respect for the requirements of the law and the by-laws concerning composition of the Board of Statutory Auditors.

In the event the requisites demanded by law and by-laws are no longer met, the Statutory Auditor shall be relieved of office.

In the event of the substitution of an auditor, the position is taken, including that of Chairman, by the alternate from the same list of the auditor leaving office. If the replacement as described above does not allow compliance with prevailing law on gender balance, the shareholders must be called to a meeting as soon as possible to ensure compliance with this regulation.

The terms in the preceding paragraphs shall not be applied in the Meetings which, according to the law, must appoint standing Statutory Auditors and/or alternate and the Chairman needed to complete the Board of Statutory Auditors in the event of replacement or resignation. In these cases, the Shareholders' Meeting shall deliberate on a majority vote while ensuring compliance with the requirements of the law and the by-laws concerning composition of the Board of Statutory Auditors.

The provisions aimed at ensuring compliance with prevailing law on gender balance are applied as from the first new formation of the Board of Directors and the Board of Statutory Auditors after 12 August 2012 and lasting for three consecutive terms.

### 13. Statutory auditors

The current Board of Statutory Auditors was appointed by the Shareholders' Meeting of 27 October 2009, and consists of:

- |                           |                  |
|---------------------------|------------------|
| • Paolo Piccatti          | Chairman         |
| • Roberto Longo           | Standing Auditor |
| • Roberto Petrignani      | Standing Auditor |
| • Paolo Claretta Assandri | Deputy Auditor   |
| • Ruggero Tabone          | Deputy Auditor   |

The updated profiles of the members of the Board of Statutory Auditors are available at [www.juventus.com](http://www.juventus.com).

The Board of Statutory Auditors shall remain in office until the Shareholders' Meeting called to approve the financial statements for the 2011/2012 financial year.

At the time of appointment of the Board of Statutory Auditors on 27 October 2009, only the list of the Shareholder EXOR SpA, owner of 60.001% of ordinary shares, was presented. The list, together with the documents required by the Articles of Association for the registration, was promptly published on the Company's website [www.juventus.com](http://www.juventus.com), where it is still available for consultation.

The most significant positions held by members of the Board of Statutory Auditors are reported below:

<i>Name and surname</i>	<i>Company</i>	<i>Corporate Office</i>
Paolo Piccatti	FIAT Group Automobiles S.p.A.	Chairman of the Board of Statutory Auditors
	FIAT Industrial S.p.A.	Chairman of the Board of Statutory Auditors
	FIAT Partecipazioni S.p.A.	Chairman of the Board of Statutory Auditors
	FPT Industrial S.p.A.	Chairman of the Board of Statutory Auditors
	Banca Sella S.p.A.	Chairman of the Board of Statutory Auditors
	Giovanni Agnelli e C. S.a.p.az.	Auditors
	IVECO S.p.A.	Auditors
Roberto Longo	Banca Sella Holding S.p.A.	Auditors
	EXOR S.p.A.	Auditors
Roberto Petrigiani	FIAT Autovar S.r.l.	Auditors
	FIAT Center Italia S.p.A.	Auditors
Roberto Petrigiani	Prima Industrie S.p.A.	Auditors
Paolo Claretta Assandri	FIAT Powertrain Technologies S.p.A.	Chairman of the Board of Statutory Auditors
	FIAT Services S.p.A.	Chairman of the Board of Statutory Auditors
	CNH Italia S.p.A.	Auditors
	Reply S.p.A.	Auditors
Ruggero Tabone	Accor Hospitality Italia S.r.l.	Sole Auditors
	Gruppo Fondiaria - Sai Servizi S.c.r.l.	Auditors
	Finitalia S.p.A.	Auditors

The Board of Statutory Auditors:

- evaluates the independence of its members at the first possible occasion after their appointment;
- evaluates in the course of the financial year the continuing existence of the independence of its members;
- in making the above evaluations, the Board applies the criteria envisaged by the Code of Conduct with reference to the independence of Directors.

An Auditor who has a personal interest or an interest on behalf of a third party in a given company operation shall promptly and fully inform the other auditors and the Chairman of the Board of the nature, terms, origin and extent of this interest (Application criterion 10.C.4).

The Board of Statutory Auditors has monitored the independence of the Independent Auditors, verifying compliance with both the relevant regulations as well as on the nature and dimensions of services other than auditing provided to the Company by the Independent Auditors themselves and by bodies belonging to its



network (Application criterion 10.C.5). In conducting its activities, the Board of Statutory Auditors coordinates with the Audit Committee by participating in the meetings of this Committee (Application criteria 10.C.6. and 10.C.7.).

Article 19 of Legislative Decree no. 39/2010 assigned the functions of Audit Committee and Account Auditing to the Board of Statutory Auditors. In this role, the Board must supervise: (i) the financial reporting process, (ii) the efficacy of internal control, internal audit and risk management systems, (iii) the regulatory audit of annual statements, (iv) the independence of the independent auditor, in particular as regards the supply of non-auditing services.

In this new role, the Board of Statutory Auditors is then asked to provide a justified proposal to the Shareholders' Meeting at the time of granting and revocation of the statutory audit mandate.

## 14. Relations with shareholders

The Company acts to establish a dialogue with its Shareholders and Institutional Investors. The Chairman and the Chief Executive Officers, in compliance with the procedure on the disclosure of documents and information concerning the Company, oversee relations with Institutional Investors and other Shareholders from a perspective of constant attention and dialogue.

For the purposes of establishing an ongoing professional relationship with all shareholders and institutional investors, as required by the Code of Conduct, an investor relations manager has been appointed for the specific management of all activities related to the area of relations with institutional investors and other shareholders.

In the framework of these responsibilities, the manager organises regular meetings with members of the Italian and international financial community and updates the financial section of the Company's website where it publishes, also in English, news about the profile of the Company, periodic and annual accounting documents, press releases and institutional presentations to market participants.

At the date of this Report, the Investor Relations Manager is Marco Re.

Shareholders, investors and the financial press can contact the following company offices for information:

- Relations with Institutional Investors and Financial Analysts  
(Tel.+39011-6563403 - Fax +39011-5631177 – investor.relations@juventus.com)
- Press Office  
(Tel.+39011-6563448 – Fax +39011-4407461) – pressoffice@juventus.com

## 15. Shareholders' meetings

The Meetings are an important occasion for informing Shareholders about the Company, respecting regulations on confidential information, as highlighted by Principle 11.P.1 of the Code of Conduct.

In order to facilitate the attendance of shareholders at the Meetings, the Company pays the maximum

attention to the choice of the place, date and time they are convened.

Members of the Board of Directors and the Board of Statutory Auditors will be well represented at the Meetings. In particular, Meetings are attended by the Directors who, due to the positions occupied, can provide a useful contribution to discussion in the meetings.

The Company has also adopted an OGM/EGM Code to regulate the ordered and effective management of Company Shareholders' Meetings, available on the Company Internet site: [www.juventus.com](http://www.juventus.com).

## **16. Changes after the closure of the year of reference**

No significant changes are to be noted.

Turin, 14 September 2012

On behalf of the Board of Directors  
The Chairman

Andrea Agnelli

A handwritten signature in black ink, appearing to be 'A. Agnelli', written over the printed name.

**TABLE 1: Structure of the board of directors and its committees**

Name	Office	Executive	Non- Independent exec.	***	Other appoint.*	Executive Committee		Audit		Remuneration & Appointments	
						**	*** **	***	**	***	
Andrea Agnelli	Chairman	X		100%	3	X	100%				
Giuseppe Marotta	CEO	X		100%	-	X	100%				
Aldo Mazzia	CEO	X		100%	1	X	100%				
Carlo Barel di Sant'Albano	Director		X	56%	1	X	100%			X	100%
Riccardo Montanaro	Director		X	X 89%	-			X	100%	X	100%
Pavel Nedved	Director		X	89%	-						
Marzio Saà	Director		X	X 89%	3			X	100%		
Camillo Venesio	Director		X	X 100%	5	X	100%	X	100%	X	100%
Khaled Fareg Zentuti	Director		X	X 44%	-						

\* This column specifies the number of director positions held in other companies listed on regulated markets, including foreign markets, as well as in finance companies, banks and insurance companies of significant size. Their offices are described in full in the Corporate Governance Report.

\*\* This column specifies the membership of the member of the Board of Directors in the Committee.

\*\*\* This column specifies the percentage of attendance of Directors in meetings of the Board of Directors and of the Committees, respectively.

Number of meetings held during the year of reference:

Board of Directors: 9

Executive Committee: 3

Remuneration and Appointments Committee: 4

Audit Committee: 7

**TABLE 2: Board of Statutory Auditors**

Name	Office	Attendance at board meetings (%)	Other appointments*
Paolo Piccatti	Chairman	100%	9
Roberto Longo	Standing auditor	100%	2
Roberto Petrigani	Standing auditor	100%	1
Paolo Claretta Assandri	Alternate auditor	-	4
Ruggero Tabone	Alternate auditor	-	3

\* This column specifies the number of auditor positions held in other companies listed on Italian regulated markets as well as in finance companies, banks and insurance companies of significant size. The offices are fully reported in this Report.

Number of meetings held during the year of reference: 9

## Company By-Laws

in effect as of 14 September 2012

### Company Constitution

#### Article 1 - DENOMINATION

A joint-stock Company is hereby incorporated under the name of "JUVENTUS F.C. S.p.A." or "JUVENTUS FOOTBALL CLUB S.p.A.", written in any graphic form.

#### Article 2 - REGISTERED OFFICE

The Company's registered office is in Turin.

#### Article 3 - CORPORATE PURPOSE

The sole purpose of the Company is sporting activities and activities connected or instrumental to them directly or indirectly.

In the framework of related or instrumental activities, the Company's purpose includes promotional and advertising activities and licensing of its own brands, the acquisition, ownership and sale, with the exclusion of transactions with the public at large, of shareholdings in commercial and real estate companies or companies whose purpose is the supply of services in any case related to the Company purpose.

To achieve the Company purpose and the objectives specified in the sections above, the Company may:

- enter into any and all real estate, investment and financial transactions, the latter with the exclusion of transactions with the public at large, that are held to be useful or necessary;
- promote and publicise its activity and its image using models, designs and emblems, directly or through third parties, and commercialising, again directly or through third parties, goods, objects and products bearing distinctive Company logos or signs; undertake, directly or indirectly, publishing activities, with the exclusion of the publication of daily newspapers.

All activities must in any case be conducted in observance of the law.

#### Article 4 - TERM

The term of the Company is fixed until 31 December 2100.

The share capital is Euro 8,182,133.28 divided into 1,007,766,660 ordinary shares with no nominal value.

The shares are registered shares and are issued in electronic form.

The share capital may also be increased through the contribution of assets in kind and/or credit.

#### Article 6 – SHARES WITHOUT VOTING RIGHTS

If the Company issues shares without voting rights, the Board of Directors will convene the appropriate Meetings, in the event that the shares without voting rights or the ordinary shares are delisted, to vote the convertibility of the shares without voting rights into ordinary shares according to the conversion ratio that will be decided by the Extraordinary Meeting.

#### Article 7 - DELEGATION OF POWERS TO THE DIRECTORS

The Shareholders' Meeting may assign the power to the Directors to increase the share capital and/or issue convertible bonds, as specified in articles 2443 and 2420 ter of the Italian Civil Code.

## Meeting

### *Article 8 - ATTENDANCE AND REPRESENTATION AT THE SHAREHOLDERS' MEETING*

Shareholders holding voting shares shall be entitled to attend the Meeting. Each shareholder may be represented at the Meeting as permitted by law.

The ability to participate in the meeting proceedings and exercise the right to vote certified in a notice made by an authorised intermediary received by the Company within the period and in the manner established by applicable law.

The Board of Directors can initiate methods to allow the voting by electronic means.

The proxies for representation and exercise of the voting rights in the shareholders' meeting can be granted via electronic means in compliance with applicable law.

Electronic notice of the proxy can be made, according to the procedures identified in the notice of calling, through a specific section of the Company's website or by message to the certified email address stated in the notice.

The Company may ask the brokers, through the centralised securities management company, for the names of shareholders along with the number of shares registered in their accounts at a given date.

Pursuant to article 2373 of the Italian Civil Code a conflict of interests exists for:

- a) anyone holding voting rights in the Shareholders' Meeting of more than 2% (two per cent) of the Company's share capital while also holding voting rights in another football company affiliated with the professional section of the FIGC of a percentage equal to the minimum necessary to ensure the control of this other company as per paragraph 1, points 1 and 2 of article 2359 of the Italian Civil Code;
- b) anyone holding voting rights at the Shareholders' Meeting of more than 10% (ten per cent) of the Company's share capital when at the same time holding voting rights in another football company affiliated to the professional section of the FIGC with a percentage of the share capital of this company of over 2% (two per cent) but lower than the share specified in point a) above.

For the purposes of the calculation of these percentages, all voting rights must be taken into account that can be exercised, directly or indirectly, also through parent companies, subsidiary companies or associated companies, or through third parties, or on the basis of pledge, usufruct, any other rights or agreements with other shareholders.

Participants at the Meeting who find themselves in one of the situations of conflict described above must declare this situation under their own responsibility.

### *Article 9 - CALL OF MEETING*

The shareholders' meeting shall be convened by the Board of Directors in the city of the Company's registered office or elsewhere, in Italy, at least once a year within one hundred twenty days after the end of the financial year. In the cases allowed by law, this term can be extended to one hundred eighty days. In addition, an Ordinary or Extraordinary Meeting shall be convened whenever the Board of Directors deems it proper and in the cases provided by law.

### *Article 10 - NOTICE OF MEETING*

The shareholders' meeting is called by means of public notice, within the periods set by law, on the Company's website and through other means provided for by applicable regulations, containing the information requested.

The notice may indicate a single call or there may be a first, second and, for extraordinary meetings, a third call.

#### *Article 11 – SHAREHOLDERS’ MEETING*

The provision of the law shall apply for the due constitution of meetings and valid resolutions, applying the majority indicated in article 2369, section 3 of the Civil Code for ordinary meetings and the majority indicated in article 2369, section 7 of the Civil Code for the extraordinary meeting, without prejudice to the provisions of articles 13 and 22 for appointment of the Board of Directors and Board of Statutory Auditors.

#### *Article 12 - CHAIR OF THE MEETING – CODE OF THE MEETING*

The Meeting shall be chaired by the Chairman of the Board of Directors; in his absence, by the Vice Chairman or, in the case of a number of Vice Chairmen, the most senior by age or, in their absence, by another person appointed by the Meeting. The meeting may appoint a secretary and, where deemed appropriate, two scrutineers. When required by law, or when deemed proper by the Chairman of the Meeting, the minutes are drawn up by a notary appointed by the Chairman himself, in which case it is not necessary to appoint a Secretary. The resolutions of the Meeting shall be recorded in the form of minutes signed by the Chairman and the notary or Secretary.

The Chairman of the Meeting shall be responsible for verifying if the Meeting has been duly constituted, verifying the identity and legitimacy of the shareholders present, conducting the discussion and ascertaining the resulting of voting.

Except as provided by the previous paragraphs, all further regulations for conducting Meetings shall be determined by the Ordinary Meeting through the adoption of specific rules.

The Company can designate one or more parties for each meeting to whom shareholders with voting rights may grant proxy, with voting instructions, for all or some of the items on the agenda. The designated parties, methods and terms for granting proxies are described in the notice of calling of the shareholders’ meeting.

### **Administration and representation**

#### *Article 13 - BOARD OF DIRECTORS*

The Company shall be managed by a Board of Directors composed of a number of members variable from a minimum of 3 to a maximum of 15 depending on the number established by the Meeting.

The Board of Directors is appointed on the basis of lists of candidates filed at the Company no later than the twenty-fifth day prior to the date of the shareholders’ meeting. In the presence of a number of lists, one of the members of the Board of Directors is taken from the list that has obtained the second highest number of votes.

Lists may be presented only by shareholders who, singly or together with others, are owners of shares with voting rights representing at least 2.5% of company capital or the different percentage laid down for the company by the regulations in force. This shareholding must be proven with specific communications that must reach the company at least twenty-one days before the date of the Shareholders’ Meeting. This is all announced in the notice of calling.

No shareholder, nor shareholders linked by relations of control or connected as specified in the Italian civil code, may present or vote for, not even through a third party or fiduciary company, more than one list. Each candidate may be included in only one list, and will otherwise be considered ineligible.

The candidates included in the lists must be listed with progressive numbers and possess the requisites of integrity and professionalism established by law. The candidate identified under number one of the sequential

order must possess the prerequisite of independence set forth by law, as well as the requirements set forth by the Code of Conduct in relation to company governance which the Company has declared to follow.

Lists that have three or more candidates must also include candidates of different gender so as to allow the Board of Directors to comply with prevailing laws on gender balance.

Together with each list, the filing must include detailed information on the candidates' personal and professional qualities, as well as the declarations in which the individual candidates accept the candidature and state, under their own responsibility, that they possess the requisites demanded. Candidates for whom the abovementioned rules have not been respected are ineligible.

The number of directors to be elected is decided by the meeting, and the procedure is as follows:

1. all the directors to be elected except one are elected from the list that has obtained most votes, on the basis of the sequential order of the candidates on the list;
2. in observance of the law, one director is elected from the list that has obtained the second -highest number of votes, on the basis of the sequential order of the candidates on the list.

No account is taken of the lists that obtain at the meeting a percentage of votes less than half of the amount demanded in paragraph three of this article.

Pursuant to the above, if the make up of the Board of Directors does not allow compliance with prevailing law on gender balance, the most recent electees of the more represented gender of the list that has obtained the highest number of votes, considering their sequential number, these electees will be replaced by the top candidates not elected from the same list of the less represented gender, in the number required to ensure respect for the above law. If application of this procedure does not allow respect of prevailing law on gender balance, the most recent electees of the more represented gender of the list that has obtained the highest number of votes, considering their sequential number, these electees will be replaced in the number required to ensure respect for the above law, with the majority vote pursuant to Article 11.

The above rules for the appointment of the board of directors are not applied when at least two lists have not been presented or voted nor in the meetings that must substitute directors during the course of their mandate. In these cases, the shareholders' meeting shall deliberate on a majority vote while ensuring respect for the requirements of the law and the By-Laws concerning composition of the Board of Directors.

If one or more Directors were to leave office during any given financial year, the Board shall replace the Directors in accordance with the civil code, ensuring compliance with the law and By-Laws as concerns the make up of the Board of Directors. If, due to resignation or other causes, the majority of Directors appointed by the shareholders' meeting should leave office, the entire Board shall be deemed to be terminated and the Directors still in office should urgently call a Meeting for the new appointments.

Directors remain in office for a maximum of three years and their mandate expires at the date of the Shareholders' Meeting for approval of the last financial statements of their term of office; Directors may be re-elected. The term of office of any Director appointed by the Meeting in the course of a three-year term shall expire on expiry of the term of office of Directors in office at the time of the appointment.

Directors who receive definitive convictions in the courts entailing additional sentences incompatible with their position are suspended from their position for the period established by the sentence.

Directors who are subjected to disciplinary measures by the bodies of the FIGC that entail the permanent exclusion from any level and category of the FIGC must leave office and cannot fill or be nominated or elected to other Company positions.

#### *Article 14 – OFFICERS*

The Board of Directors, where this has not been decided by the Shareholders' Meeting, shall appoint a Chairman from among its members. It may also appoint one or more Vice-Chairmen and one or more Chief Executive Officers. The Board can also appoint a Secretary who may not necessarily be a member of the Board.

#### *Article 15 - MEETINGS OF THE BOARD*

The Board of Directors shall meet either at the registered office or elsewhere, provided that it is in a European country, usually at least every three months, whenever the Chairman or a Vice Chairman or upon request of the persons duly qualified according to the law deems it necessary, or every time the same considers it in the best interests of the Company, or whenever a meeting has been requested by at least three Directors or at least two acting Statutory Auditors or bodies with delegated powers. The meetings shall be presided over by the Chairman, or in his absence, by the Vice-Chairman nominated by the Board. In the event of his absence, the chair will be taken by another director nominated by the Board. The meeting shall be called by letter telegram, fax, e-mail or similar at least three days before the date fixed for the meeting, except in the case of extreme urgency.

The disclosure required by article 150 of Legislative Decree 58/98 and by article 2381 of the Italian Civil Code shall be supplied by the Directors to the Board of Statutory Auditors and by the bodies with delegated powers (Executive Directors) to the Board of Directors and the Board of Statutory Auditors during the meetings of the Board of Directors, to be held at least quarterly, as stated in the previous paragraph.

Meetings of the Board of Directors may be held via means of telecommunications. All the Directors present must be able to be identified and follow the discussion, take part in real time in the discussion of the matters and receive, send and review documents.

#### *Article 16 - RESOLUTIONS OF THE BOARD*

The resolutions of the Board of Directors shall be valid if at least the majority of the members holding office is present. Resolutions shall be taken by absolute majority of votes of the Directors present. In the event of an equal number of votes, the vote of the Chairman of the meeting shall prevail. All resolutions taken at the meeting shall be recorded in minutes signed by the Chairman of the meeting and the Secretary.

#### *Article 17 - POWERS OF THE BOARD*

The Board of Directors is vested with all and every power for the ordinary and extraordinary management of the Company. The Board is therefore empowered to take such action as it shall deem proper to attain the Company's business purpose save only such action as is reserved by law to the Shareholders' Meeting.

The Board of Directors can issue non-convertible bonds and also pass resolutions regarding transactions as provided by article 2365, second paragraph, of the Italian Civil Code as well as decide for the spin-off of companies according to the provisions of the law.

#### *Article 18 - EXECUTIVE COMMITTEE*

The Board can appoint an Executive Committee from among its members, fixing the number of members and delegating all or a part of its powers, save those powers expressly reserved by law to the Board. The same provisions of Articles 15 and 16 for the Board of Directors apply with respect to the meetings and the resolutions of the Executive Committee. The Secretary to the Board is also the Secretary to the Executive Committee.



#### *Article 19 - GENERAL MANAGER – FINANCIAL REPORTING OFFICER*

The Board of Directors can, as provided for by law, appoint a General Manager, fixing the powers, attributions and any remuneration.

The Board of Directors shall, after hearing the opinion of the Board of Auditors, appoint a manager responsible for preparing the financial reports; the person appointed must have several years of experience in administrative and financial matters in companies of significant size.

#### *Article 20 - EMOLUMENTS*

The Board is entitled to an annual emolument which shall be voted by the Shareholders' Meeting; the manner in which the emolument shall be divided among the Board members shall be decided respectively by resolution of the Board and the Executive Committee. The Directors who have been delegated special assignments or powers, after approval by the Board of Statutory Auditors, can be assigned special fees, also in the form of profit sharing. All these amounts shall be recorded under general expenses.

#### *Article 21 - LEGAL REPRESENTATION*

Legal representation of the Company vis-à-vis third parties and in court proceedings shall be the duty of the Chairman and, if appointed, Vice Chairmen and Chief Executive Officers within the limits of the powers granted to them by the Board of Directors and also for the execution of the resolutions of the Board and in legal proceedings.

In addition, the Board of Directors may, as provided by law, attribute powers to other Directors, nominees or managers who will exercise such power within the limits set by the Board.

### **Board of statutory auditors and independent auditors**

#### *Article 22 - AUDITORS*

The Board of Statutory Auditors shall consist of 3 acting Statutory Auditors and 2 alternate Statutory Auditors. Minority shareholders may appoint one standing Statutory Auditor and one alternate Statutory Auditor.

The Board of Statutory Auditors is appointed on the basis of lists of candidates filed at the Company no later than the twenty-fifth day prior to the date of the Shareholders' Meeting, in which the candidates are listed in sequential order. The list is made up of two sections: one of candidates for standing Auditor and another for candidates for alternate Auditor, in a number not exceeding the Auditors to be elected.

Lists can only be presented by shareholders which, alone or together with other shareholders, own voting stock representing the percentage specified in the third paragraph of Article 13; This shareholding must be proven with specific communications that must reach the company at least twenty-one days before the date of the Shareholders' Meeting. This is all announced in the notice of calling.

No shareholder may present or vote for more than one list, not even through a third party or trust company. Shareholders belonging to the same group and shareholders which have stipulated a shareholding agreement relative to shares in the company may not present or vote for more than one list, not even through a third party or trust company. A candidate may only be present in one list, and otherwise will be ineligible.

The only candidates who can be included in the lists are those whom the limits have been respected for positions held set by the applicable regulations and who meet the requirements set by the regulations and these By-Laws. For the purposes envisaged by Article 1, section 2, paragraphs b) and c) and section 3 of Ministerial Decree no. 162 of 30 March 2000 on the professional requirements of members of the Board of Statutory Auditors of listed companies, topics closely relevant to the company's activities mean commercial

law, industrial law, sports law, business economics and financial sciences as well as the other similar or comparable subjects, even if denominated differently, while sectors strictly related to the activities in which the company operates mean the sectors regarding sports or professional sports.

Considering both sections, the lists that have three or more candidates must also candidates of different gender in the first two slots of the section related to standing auditors, so as to allow the Board of Statutory Auditors to comply with prevailing laws on gender balance.

Outgoing Auditors may be re-elected. Lists must be submitted with the following:

- a) information regarding the identity of the shareholders that have presented lists, with the indication of the percentage of the overall shareholding;
- b) a declaration of the shareholders other than those that hold, even jointly, a controlling equity investment or relative majority, certifying the absence of related links with the latter covered by the regulations in force;
- c) full information on the personal and professional characteristics of the candidates, as well as a declaration by them of possessing the prerequisites required by law and the company by-laws and their acceptance of the candidature;
- d) the list of directorship and auditor positions occupied by the candidates in other companies, with the undertaking to update this list at the date of the meeting.

Candidates for whom the abovementioned rules have not been respected are ineligible.

In the event that, at the date of the above deadline, only a single list has been registered, i.e. only lists presented by shareholders who, on the base of the abovementioned provisions, are connected with each other in accordance with currently effective regulations, lists may be presented up to the third day following that date. In this case, the threshold specified above is reduced by half.

Lists can be filed by at least one remote means of communication according to the methods announced in the notice of calling of the shareholders' meeting which enable identification of the parties making the filing.

The fact that no minority lists are presented, the extended deadline for them to be presented and the reduction in the threshold must be promptly notified in accordance with currently effective regulations.

The election of the members of the Board of Statutory Auditors is conducted as follows:

1. two standing auditors and one alternate auditor are elected from the list that obtained the highest number of votes in the meeting, on the basis of the sequential order in which they are listed in the sections of the list;
2. the remaining standing auditor and the other alternate auditor are elected from the second list that is not connected to the shareholders of reference pursuant to the regulations in force that has obtained the highest number of votes in the meeting on the basis of the progressive order in which they are listed in the sections of the list; in the event of parity between a number of lists, the candidates elected are those of the list presented by shareholders holding the largest shareholding, or, secondarily, by the highest number of shareholders.

The Chairman of the Board of Statutory Auditors shall be the first candidate on the list indicated in point 2 above.

If it is not possible to make the appointment as described above, the Shareholders' Meeting shall decide with a majority vote while ensuring respect for the requirements of the law and the by-laws concerning composition of the Board of Statutory Auditors.

In the event the requisites demanded by law and by-laws are no longer met, the auditor shall be relieved of office.

In the event of the replacement of a Statutory Auditor, including the position of Chairman, the alternate belonging to the same list as the resigned auditor shall take the place of the same, when the Statutory Auditors have been nominated through lists.

If the replacement as described above does not allow compliance with prevailing law on gender balance, the shareholders must be called to a meeting as soon as possible to ensure compliance with this regulation.

If the appointment of the Board of Statutory Auditors is not made via lists and an auditor is to be replaced, the most senior auditor shall take over the leaving auditor's office. If the replacement as described above does not allow compliance with prevailing law on gender balance, the auditor whose characteristics meet the regulations shall be appointed. If the replacement as described above still does not allow compliance with prevailing law on gender balance, the shareholders must be called to a meeting as soon as possible to ensure compliance with this regulation.

The terms in the preceding paragraphs shall not be applied by the Meetings which, according to the law, must appoint standing Statutory Auditors and/or alternate and the Chairman needed to complete the Board of Statutory Auditors in the event of replacement or resignation. In these cases, the Shareholders' Meeting shall deliberate with a majority vote while ensuring respect for the requirements of the necessary representation of minorities and the by-laws concerning composition of the Board of Statutory Auditors.

The members of the board of auditors are subject to the same conditions and constraints as specified for Directors in article 13.

#### *Article 23 - EMOLUMENTS*

The emolument of the Statutory Auditors shall be determined by the Shareholders' Meeting according to law.

#### *Article 24 – ACCOUNTS AUDIT*

The financial statements shall be audited by independent auditors who are listed in the corresponding register which operates according to the provisions of law.

### **Financial statements**

#### *Article 25 – FINANCIAL YEAR*

The financial year shall terminate on 30 June each year.

#### *ARTICLE 26 – DISTRIBUTION OF PROFITS*

The net profit, less any losses from prior years, shall be distributed as follows:

- 5% to the legal reserve, until the same reaches one-fifth of the Company's capital stock;
- at least 10% to the technical-sports youth training and education schools;
- the remaining profit shall be distributed to the shareholders as dividends, unless otherwise voted by the Shareholders' Meeting.

#### *Article 27 – INTERIM DIVIDENDS*

During the course of the year, and if the Board of Directors so deems it and it is feasible in consideration of the results of the year, the Board of Directors can resolve to pay interim dividends for the year, in conformity with the provisions of the law.

#### *Article 28 – PAYMENT OF DIVIDENDS*

Dividends shall become payable at the registered office of the Company and in other locations designated by the Board of Directors.

All and any dividends not collected within five years from the date when they become payable shall be allocated to the Extraordinary Reserve of the Company and the related coupons shall be cancelled.

#### **FINAL PROVISIONS**

#### *Article 29 – TERRITORIAL JURISDICTION*

The Company shall be under the jurisdiction of the Court of Turin.

#### *Article 30 - DOMICILE OF SHAREHOLDERS*

The domicile of the shareholder, for all relations with the Company, is that shown in the shareholders' register.

#### *Article 31 - LIQUIDATION*

In the event of the dissolution of the Company, the wind-up will take place in the manner established by law.

The liquidator or liquidators shall be appointed, in compliance with the law, by the Shareholders' Meeting, fixing their powers and compensation.

The state of liquidation or closure entails the revocation of affiliation by the FIGC which may allow activity to continue until the end of the season in progress.

#### *Article 32 - MATTERS GOVERNED BY LAW*

All matters not provided for in the present Company By-laws shall be governed by the provisions of law.

#### *Article 33 – OTHER PROVISIONS*

The provisions contained in articles 13 and 22 aimed at ensuring compliance with prevailing law on gender balance are applied as from the first new formation of the Board of Directors and the Board of Statutory Auditors after 12 August 2012 and lasting for three consecutive terms.

This document contains a true translation in English of the report in Italian "*Relazione sul governo societario e assetti proprietari*".

However, for information about Juventus Football Club S.p.A. reference should be made exclusively to the original report in Italian "*Relazione sul governo societario e assetti proprietari*".

The Italian version of the "*Relazione sul governo societario e assetti proprietari*" shall prevail upon the English version.

