

**To the members of  
the Board of Directors of  
ITALMOBILIARE S.p.A.**

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Dear Sirs,

as you may recall, the Company, in compliance with CONSOB resolution of March 12, 2010, adopted its procedure governing transactions with related parties on November 12, 2010.

Furthermore, CONSOB, with resolution dated September 24, 2010, recommended listed companies to assess at least every three years whether to review of procedures taking into account, *inter alia*, any possible changes in the ownership structure as well as the effectiveness evidenced by the procedures when applied in practice. To this end, it deems it appropriate, although not required by the Regulation, to obtain the opinion of the Committee for Transactions with Related Parties also with reference to the possible decision not to proceed to any amendment as a result of the assessment process of the procedures currently in place.

Firstly, the Committee deems appropriate to recall the opinions so far rendered to the Board of Directors during these first years of procedure application:

Significant transaction

December 20, 2010: purchase from Italcementi S.p.A. of the shares representing 1,405% of the share capital of Mediobanca - Banca di Credito Finanziario S.p.A. and 2,332% of the share capital of RCS MediaGroup S.p.A.

In this regard, it is hereby underlined that the Company, for consistent reasons of fairness and transparency towards investors and the market, deemed appropriate to anticipate the procedural and informative rules set out by the new regulations, notwithstanding they came into force the following January 1<sup>st</sup> and despite the circumstance that, as controlling Company, the transaction was to be considered exempted according to the Procedure.

Minor transactions

March 24, 2011: (i) remunerations to directors and officers with strategic responsibilities and (ii) regulation concerning the “*Long term monetary incentive plan, linked to the performance of the company shares, for directors and officers with strategic responsibilities of Italmobiliare S.p.A.*”.

Based on experience gained in providing specific opinions upon request, the Committee has so far been able to verify the effectiveness of the Procedure adopted by the Company, as well as its capacity to ensure substantial and procedural fairness of transactions with related parties.

However, the Company, although it acknowledges:

- that over the last three years there have been no changes in its ownership structure;
  - the enduring absence of contractual, statutory or regulatory burdens applicable to it;
- to confirm its commitment to comply with best practices rules, deems it appropriate to make some changes to paragraph 2.1 of the Procedure currently in force which concern to the correlation perimeter and the differentiation of negligible-amount thresholds.

In particular, the Company proposes:

- lett. j): the negligible-amount thresholds to be demarked between transactions with individuals (Euro 300,000) and legal entities (unchanged at Euro 500,000).
- lett. m): the application of the Procedure to be also extended to the members of the Supervisory Board with the express specification, should it be composed also of employees of the Company, these shall not to be considered as "Managers with strategic responsibilities";

On the other hand, with regard to the additional rights offered by CONSOB Regulation, the Company confirms the other choices made at the time of first adoption of the Procedure.

In light of the above, we hereby issue a favorable opinion to the amendments to the Procedure for transactions with related parties proposed by the Company whose entire text, with evidence of the suggested changes, is attached hereto.

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Opinion drafted by the Committee for Transactions with Related Parties at the October 30, 2013 meeting.

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Milan, 30 October 2013

On behalf of the Committee for Transactions with Related Parties

**The Chairman**  
***Mauro Bini***

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***Exhibit «A»***

**PROCEDURE FOR TRANSACTIONS WITH RELATED PARTIES**

**1 Foreword**

The Board of Directors of Italmobiliare S.p.A. ("Italmobiliare" or the "Company"), in accordance with article 2391-bis of the Italian Civil Code and of article 4, paragraphs 1 and 3, of CONSOB Regulation regarding transactions with related parties adopted by

resolution no. 17221 dated March 12, 2010 as subsequently amended (the “Related Parties Regulation”), has taken measures aimed at ensuring that transactions carried out with related parties of the Company, directly or through subsidiaries, are performed in a transparent manner and in compliance with criteria of material and procedural correctness.

In particular, on November 12, 2010, the Board of Directors of Italmobiliare approved this procedure (the “Procedure”), following the opinion issued on November 3, 2010 by the Committee for Transactions with Related parties.

## 2 Definitions

2.1 For the purposes of this Procedure, the following definitions apply:

- (a) “**Independent Directors**”: directors recognized independent by the Company following the assessment made on the basis of principles as per the Code of Conduct for listed companies;
- (b) “**Non related Independent Directors**”: Independent Directors other than the counterparty of the transaction and its Related parties;
- (c) “**Committee for Transactions with Related Parties**” or “**Committee**”: the committee set up under article 4, paragraph 3, of the Related Parties Regulation, consisting of three independent directors appointed by the Board of Directors, after hearing the favourable opinion of the Board of Statutory Auditors;
- (d) “**Function Responsible**”: the competent function for the individual transaction according to the provisions in the Company’s internal regulation. With specific reference to the Transactions carried out through subsidiaries, the Function Responsible is the Company function competent for the previous evaluation or the previous approval of the transaction that the subsidiary intends to perform;
- (e) “**Italmobiliare Group**”: Italmobiliare and the companies included in its consolidated financial statements as subsidiaries or associated companies;
- (f) “**Major Interests**”: for the purposes of article 14, paragraph 2, of the Related Parties Regulation and article 11 below of this Procedure, these are construed as those interests generated by relationships in terms of shareholdings or assets with Italmobiliare subsidiaries or associated companies that are counterparts in a specific Transaction, if the relationships above are such as to affect, in an exclusive way or as a priority, the management decisions of the Company, the subsidiary or associated company, towards the fulfilment of the interest of another Company Related Party. Major Interests may exist if the Related Party (i) is a manager with strategic responsibilities in Italmobiliare or in the subsidiary or associated company and benefits from incentive plans based on financial instruments (or, in any case, variable remuneration) depending on the results achieved by the subsidiary or associated company; (ii) is the owner in the subsidiary or in the associated company of a stake whose effective significance in weighted terms is higher than the actual significance of the stake that the same Related Party holds in the Company, directly or indirectly. When assessing each relationship with Related parties, attention must be paid to the substance of the relationship and not simply to its juridical form;

- (g) **“Transaction with Related parties”** or **“Transaction”**: any transfer of resources, services or obligations between the Company and one or more Related parties, regardless of whether a consideration was agreed. In any case, this includes: (i) mergers, demergers by incorporation or demergers in strictly non proportional terms, when carried out with Related parties; (ii) any decision regarding the assignment of economic benefits and remunerations, in any form, to the members of the administration and control bodies and to managers with strategic responsibilities. Operations indifferently aimed to all shareholders under the same terms are not Transactions with Related parties;
- (h) **“Significant Transactions”**: all the Transactions where at least one of the indices of significance indicated in Annex 3 of the Related Parties Regulation, applicable to the specific transaction, is higher than the threshold envisaged therein;
- (i) **“Minor Transactions”**: all the Transactions with Related Parties other than Significant Transactions and Transactions of Negligible Amount;
- (j) **“Transactions of Negligible Amount”**: Transactions below Euro 500,000 [if performed by Related Parties – Legal entities and Euro 300,000 if performed by Related Parties - Individuals](#);
- (k) **“Ordinary Transactions”**: Transactions that belong to the ordinary management of operating activities and of the connected financial activity of the Italmobiliare Group. For the purpose of applying this Procedure, the following transactions are always considered Ordinary Transactions:
- acquisition and sale of shareholdings in companies and bodies;
  - the execution of funding contracts to the benefit of other Italmobiliare Group companies or however in the interest of one or more companies that belong to the Italmobiliare Group;
  - issuing guarantees for the benefit of other Italmobiliare Group companies or however in the interest of one or more companies that belong to the Italmobiliare Group;
  - the stipulation of contracts for the supply of raw materials and other assets connected to production activities to Italmobiliare Group companies;
  - all the other management activities that cannot be classified as “investments” or “financial”, with the exception of those connected to operations, among which treasury management and service agreements having as their object, among other things, administrative, financial, contractual, tax, corporate and legal consulting services, as well as the management of personnel administration services and the management of external relations;
- (l) **“Transactions carried out through subsidiaries”**: Transactions carried out by Italmobiliare subsidiaries with Italmobiliare Related Parties and subject to its previous examination or its previous approval, under provisions issued by Italmobiliare while exercising its direction and coordination activity, internal decision-making processes or proxies conferred to Italmobiliare company members;

- (m) “**Related parties**”: subjects defined on the basis of the definitions as per Annex 1 of the Related Parties Regulation. Under article 4, paragraph 2, of the Related Parties Regulation, the Company decided ~~not~~ to extend the application of the Procedure ~~to subjects other than the Related parties identified in Annex 1 of the Related Parties Regulation~~ also to members of the Supervisory Board;
- (n) “**Equivalent Remedies**”: remedies indicated in article 10 below, to take if, with respect to a specific Transaction, one or more members of the Committee for Transactions with Related parties are counterparts in the Transaction or its Related parties.

### **3 Definition of Related parties**

- 3.1 For the purposes of the application of this Procedure, the Corporate Affairs Department, with the support of the functions concerned, performs, on the basis of the information received by the Company or previously available, the map of direct and indirect Related parties.
- 3.2 For the purpose of preparing the map of indirect Related Parties, the Corporate Affairs Department requires that Italmobiliare<sup>1</sup> managers with strategic responsibilities and the entity that controls Italmobiliare communicate, by sending the statement of relation as per Annex 1 to this Procedure, data regarding indirect Related parties, i.e. (1) the companies subject to joint control by the parent company; (2) managers with strategic responsibilities of the parent company; (3) close relations of managers with strategic responsibilities in the Company and/or its parent company and (4) the entities in which a manager with strategic responsibilities of the Company or its parent company or a close relation of such managers exercises control, joint control or significant influence or holds, directly or indirectly, a significant share, but no lower than 20%, of voting rights.
- 3.3 The Corporate Affairs Department must maintain the map of Related Parties constantly updated on the basis of the information received by the Company or previously available.
- 3.4 The map is made available to the owners of the various Units Responsible.

### **4 Identification of Transactions with Related Parties**

- 4.1 Before carrying out any transaction, the Function Responsible checks if, on the basis of the map, the counterparty is a Related Party and, in this case, if this is a Transaction of a Negligible Amount.
- 4.2 If the Transaction is with a Related Party and is not a Transaction of a Negligible Amount, the Function Responsible communicates the data of the Transaction to the Corporate Affairs Department so that it may, with the support of the functions concerned, check:
- (i) if the Transaction falls within the exemptions as per article 11 of the Procedure, other than Transactions of a Negligible Amount;
  - (ii) if the Transaction is the implementation of a framework resolution taken under article 8 below; and

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<sup>1</sup> The Board of Directors of the Company resolved that directors, acting auditors, the COO, the general manager in charge of finance and control and the manager in charge of the financial reports shall be deemed “managers with strategic responsibilities” of Italmobiliare S.p.A..

(iii) if the Transaction is a Significant Transactions or a Minor Transactions.

- 4.3 If, also following the evaluation as per article 4.2 above, the Corporate Affairs Department is not certain that the Transaction can be classified as Ordinary Transactions or if the terms of the Transaction are equivalent to current market conditions, the assessment is in the hands of the Committee for Transactions with Related Parties.
- 4.4 If, upon evaluation of the Corporate Affairs Department, this is a Transaction with Related Parties which is not exempt, the Corporate Affairs Department promptly submits the Transaction to the attention of the Committee for Transactions with Related Parties, promptly providing to it the information received by the Function Responsible. The Committee for Transactions with Related Parties will apply the provisions as per article 6 below if it is a Significant Transaction or the provisions as per article 7 below if it is a Minor Transaction.
- 4.5 If the Transaction falls within one of the exemption assumptions as per article 11 below, other than Transactions of a Negligible Amount, or is the execution of a framework resolution, the Corporate Affairs Department shall inform the Function Responsible. The Functions must promptly inform the Administration and Control Department of the performance of the Transaction so that it can enter the Transaction in the register as per article 13 below.

## **5 Committee for Transactions with Related Parties**

- 5.1 The Committee appoints its Chairman and, upon the Chairman's proposal, a secretary, who need not be a member of the Committee, who has the task to draft the minutes of the meetings and the other tasks envisaged by this Procedure.
- 5.2 The members of the Committee for Transactions with Related Parties are obliged to promptly state the existence of any relationships with Related parties as regards the specific Transaction, in order to allow for the application of Equivalent Remedies as per article 10 below.
- 5.3 The Committee meets any time it is summoned by the Chairman of the Committee or upon request of the Chairman of the Board of Directors or the Corporate Affairs Department, in those cases as per article 4.3 above. The meeting can also be summoned without formalities (also verbally).
- 5.4 Committee meetings can be held also by means of telecommunication, provided that all participants can be identified and that such identification is acknowledged in the minutes and they have the opportunity to follow the discussion and they can speak in real time about the issues transacted, if necessary exchanging the relevant documents. The Chairman can from time to time invite other subjects to the Committee meetings whose presence can be useful for the best performance of the functions of the committee.
- 5.5 For the Committee meetings to be valid, the presence of the majority of Committee members is necessary. The Committee deliberates with the majority of votes.
- 5.6 The Committee meetings are registered in minutes which, signed by the chairman of the meeting and by the secretary, are kept by the secretary in chronological order.

## **6 Preparation and approval of Significant Transactions with Related Parties**

- 6.1 The Board of Directors of the Company shall approve Major Transactions after receiving a favourable and motivated opinion from the Committee for Transactions with Related Parties about the Company's interest in performing the Transaction as well as on the cost-effectiveness and the material correctness of the relevant terms.
- 6.2 For the purpose of issuing a motivated opinion and of ensuring that the Committee for Transactions with Related parties is involved in negotiations:
- (i) the Function Responsible must provide exhaustive and appropriate information with respect to the Transaction with Related parties in due time to the Corporate Affairs Department and to the delegated body. In particular, such information must deal with the nature of the relation, the main terms and conditions of the Transaction, the time schedule, the reasons underlying the Transaction as well as any risks for the Company and its subsidiaries. The Corporate Affairs Department will send the information to the Committee;
  - (ii) the Committee will have the power, through the Corporate Affairs Department, to request information and make remarks to the delegated bodies and the subjects in charge of leading the negotiations or the preparation;
  - (iii) if the Committee for Transactions with Related Parties deems it necessary or appropriate, it may use, and the cost shall be borne by the Company, the consulting services of one or more independent experts selected by it. When selecting experts, persons will be chosen who are recognised and skilled professionals on the matters of interest, whose independence and absence of conflicts of interest will be carefully assessed.
- 6.3 The Committee for Transactions with Related Parties, at the end of the actions as per paragraph 6.2 above, shall approve its motivated opinion before the meeting of the Board of Directors summoned for the approval of the Major Transaction.
- 6.4 The Committee for Transactions with Related Parties must notify in due time to the Board of Directors:
- (i) a report regarding the preparation carried out on the Significant Transaction to be approved. This report must deal at least with the nature of the relation, the terms, conditions, time schedule, assessment procedure followed and the reasons that underlie the Transaction as well as any risks for the Company and its subsidiaries;
  - (ii) the opinion issued under paragraph 6.3 above; and
  - (iii) any other opinions issued with respect to the Transaction under previous paragraph 6.2 (iii).
- 6.5 If the Committee for Transactions with Related Parties expressed a previous motivated opinion against proceeding with the Significant Transaction or expressed a conditional opinion or with remarks, the Board of Directors of the Company can: (i) approve the Significant Transaction after fully accepting the remarks mentioned by the Committee for Transactions with Related Parties, or as an alternative (ii) approve the Significant Transaction despite the contrary opinion or in any case without considering the remarks of the Committee provided that the fulfilment of the Transaction is authorized by the Assembly under article 6.8 below, as long as this possibility is envisaged in the company bylaws under article

2364, paragraph 1, no. 5, of the Italian Civil Code; or finally, *(iii)* not approve the Significant Transaction and therefore not execute it.

- 6.6 The minutes of the resolutions of the Board of Directors must contain the appropriate motivation about the Company's interest in proceeding with the Transaction as well as with respect to the cost-effectiveness and material correctness of the relevant terms.
- 6.7 With respect to Significant Transactions which fall within the competence of the Assembly or that are authorized by it under article 2364, paragraph 1, no. 5 of the Italian Civil Code, the provisions in article 6 above will apply to the negotiation stage, to the preparation stage and to the approval stage of the resolution proposal to be submitted to the Assembly.
- 6.8 If the Board of Directors intends to submit to the Assembly the Significant Transaction despite the contrary opinion or however without taking into account the remarks made by the Committee for Transactions with Related Parties, the Transaction cannot be executed if the majority of non related, voting shareholders votes against the Transaction, provided however that non related shareholders present at the Meeting represent at least 10% of share capital with voting rights ("whitewash").
- 6.9 Following the resolution taken by the Board of Directors or by the Assembly with respect to the Transaction, the Corporate Affairs Department will promptly notify the result of such resolution to the Function Responsible.

## **7 Preparation and approval of Minor Transactions with Related Parties**

- 7.1 The Board of Directors of the Company or the competent body delegated shall approve Minor Transactions after receiving a (non binding) motivated opinion from the Committee for Transactions with Related parties about the Company's interest in performing the Transaction as well as on the cost-effectiveness and the material correctness of the relevant terms.
- 7.2 In order to let the Committee for Transactions with Related Parties be able to issue a motivated opinion with respect to this:
  - (i) the Function Responsible must provide exhaustive and appropriate information with respect to the Transaction with Related parties in due time to the Corporate Affairs Department. In particular, such information must deal with the nature of the relation, the main terms and conditions of the Transaction, the time schedule, the reasons underlying the Transaction as well as any risks for the Company and its subsidiaries. The Corporate Affairs Department will send the information to the Committee;
  - (ii) if the Committee for Transactions with Related Parties deems it necessary or appropriate, it may use, and the cost shall be borne by the Company, the consulting services of one or more independent experts selected by it. When selecting experts, persons will be chosen who are recognised and skilled professionals on the matters of interest, whose independence and absence of conflicts of interest will be assessed.
- 7.3 The Committee for Transactions with Related Parties, at the end of the actions as per paragraph 7.2 above, shall provide its motivated opinion in due time for the approval of the Minor Transaction.



- 7.4 The Committee for Transactions with Related Parties must notify adequately in advance to the competent body that will deliberate the approval of the Minor Transaction:
- (i) a report regarding the preparation carried out on the Minor Transaction to be approved. This report must deal at least with the nature of the relation, the terms, conditions, time schedule, assessment procedure followed and the reasons that underlie the Transaction as well as any risks for the Company and its subsidiaries;
  - (ii) the opinion issued under paragraph 7.3 above; and
  - (iii) any other opinions issued with respect to the Transaction under previous paragraph 7.2 (ii).
- 7.5 The minutes of the approval resolutions of the Board of Directors or the decision of the competent body must contain the appropriate motivation about the Company's interest in proceeding with the Transaction as well as with respect to the cost-effectiveness and material correctness of the relevant terms.
- 7.6 Following the resolution taken by the Board of Directors or the decision taken by the competent body with respect to the Transaction, the Corporate Affairs Department will promptly notify the result of such resolution to the Function Responsible.

## **8 Approval of framework Resolutions**

- 8.1 For the purposes of the Procedure, framework resolutions (“**Framework Resolutions**”) which envisage the execution by the Company of series of homogeneous Transactions with specific categories of Related parties that will be defined from time to time by the Board of Directors are accepted.
- 8.2 The Framework Resolutions must be effective for no more than one year and must state, with sufficient clarity, the Transactions which are the object of the resolutions, the expected maximum amount of the Transactions to be executed in the relevant time period and the motivation of the terms envisaged with respect to these Transactions.
- 8.3 The provisions as per articles 6 and 7 above apply to the Framework Resolutions, according to the expected maximum estimate of the Transactions which are the object of the specific Framework Resolution, considered as a total amount. The provisions as per articles 6 and 7 above do not apply to the individual Transactions executed as implementation of a Framework Resolution.

## **9 Transactions with Related parties carried out through subsidiaries**

- 9.1 Transactions carried out through subsidiaries must be subject to prior non binding opinion of the Committee for Transactions with Related Parties.
- 9.2 For the purpose of the provisions in this article, the Function Responsible shall preliminarily assess, based on the map, whether the Transaction counterpart is a Related Party and, in this case, if this is a Transaction of negligible amount.
- 9.3 If the counterpart is a Related Party and this is not a Transaction of Negligible Amount, the Function Responsible informs the Corporate Affairs Department to which, as soon as possible with respect to the features of the Transaction and the minimum information available, it provides an information note on the Transaction, so that the above mentioned Direction can carry out the checks as per

article 4.2 above and, if necessary, request the involvement of the Committee for Transactions with Related Parties.

- 9.4 The Committee for Transactions with Related Parties shall issue its own opinion in due time in order to give the competent body the opportunity to authorize or examine or assess the Transaction. The Committee shall also send the opinion and the information note on the Transaction to the Corporate Affairs Department, which in turn sends them to the Function Responsible.
- 9.5 Following the approval of the Transaction, or its execution, the Function Responsible, with the support of the concerned subsidiary units:
- (i) shall promptly provide to the Corporate Affairs Department the necessary information so that the Company can fulfil, where applicable, the information obligations as per articles 5 and 6 of the Related Parties Regulation;
  - (ii) shall promptly provide to the Administration and Control Department the information necessary to update the list as per article 13 below;
  - (iii) shall prepare a specific information note for the first Board of Directors meeting of the Company.
- 9.6 Without prejudice to the regulations on Transactions carried out through subsidiaries as per articles from 9.1 to 9.5 above, subsidiaries are obliged to promptly provide to the Corporate Affairs Department the information on the Transactions carried out so that the Company can fulfil, where applicable, the publication of the information document or of the press release as per article 5 and article 6 of the Related Parties Regulation, respectively.

## **10 Equivalent Remedies**

- 10.1 In case one or more members of the Committee for Transactions with Related Parties turn out to be Related parties according to article 2 with regard to a specific Significant or Minor Transaction, the following equivalent remedies must be taken, in this order:
- (i) if one of the members of the Committee for Related Parties is related, the opinion as per articles 6, 7 and 9 above shall be issued by the two remaining members of the Committee who are not related;
  - (ii) if two members of the Committee for Related Parties are related, the opinion as per articles 6, 7 and 9 above shall be issued by the remaining member of the Committee and by the Non Related Independent Director who is most senior in age and does not belong to the Committee;
  - (iii) in case the remedies as per parts (i) and (ii) above cannot be applied, the opinion as per articles 6, 7 and 9 above shall be issued by the Board of Auditors;
  - (iv) in case the remedies as per parts (i), (ii) and (iii) above cannot be applied, the opinion as per articles 6, 7 and 9 above shall be issued by an independent expert appointed by the Board of Directors among persons of recognised professionalism and competence on the relevant matters, whose independence and absence of conflicts of interest are assessed.
- 10.2 If the Equivalent Remedies apply, the provisions as per this Procedure apply also with respect to and to the benefit of the subjects defined under article 10.1 above.

## **11 Exclusions and exemptions**

- 11.1 The provisions included in this Procedure do not apply to the assembly resolutions as per article 2389, first paragraph, of the Italian Civil Code, regarding the emoluments to be paid to the members of the Board of Directors and of the executive committee of Italmobiliare, nor to resolutions regarding the remuneration of directors appointed with specific positions that fall within the overall amount determined by the Assembly under article 2389, third paragraph, of the Italian Civil Code. Neither do provisions included in this Procedure apply to assembly resolutions as per article 2402 of the Italian Civil Code regarding remunerations due to the members of the Board of Auditors.
- 11.2 Without prejudice to the notification obligations as per articles 12.5 and 12.6 of the Procedure below, the Procedure does also not apply to the following Transactions with Related Parties:
- (a) Transactions of a Negligible Amount;
  - (b) Transactions regarding remuneration plans based on financial instruments approved by the Assembly according to Article 114-*bis* of the TUF and the relevant execution Operations; and
  - (c) Resolutions regarding the remuneration of directors appointed with specific positions, other than those as per article 11.1 above, as well as of managers with strategic responsibilities, provided that:
    - (i) the Company has adopted a remuneration policy;
    - (ii) the Remuneration Committee was involved in the definition of the remuneration policy;
    - (iii) a report describing the remuneration policy has been subject to the consultative vote of the assembly;
    - (iv) the assigned remuneration is consistent with the policy.
  - (d) Ordinary Transactions carried out at similar terms as those usually applied to non related parties for transactions of corresponding type, entity and risk, or based on regulated tariffs or on government prices, or applied to subjects with whom the company is obliged by law to negotiate a specific amount, without prejudice to the obligation to fulfil provisions regarding information as per article 13, paragraph 3, letter c), of the Related Parties Regulation, if applicable;
  - (e) Urgent Transactions that do not fall within the competence of the Assembly or must not be authorized by it, subject to the introduction of a specific clause in the bylaws, and provided that the requirements are complied with as per article 13, paragraph 6, of the Related Parties Regulation;
  - (f) Transactions with or between subsidiaries, also jointly controlled, of the Company as well as Transactions with companies associated with the Company if, in subsidiaries or associated counterparts in the Transaction, there are no Significant Interests of other parties Related to the Company.
- 11.3 The assumptions for the exemption included in this article apply, *mutatis mutandis*, also to Transactions carried out through subsidiaries as per article 9 above. With respect specifically to the exemption for Ordinary Transactions, as per previous article 11.2, letter d), for the purpose of assessing the ordinary

character of the Transaction, the activity carried out by the subsidiary will be fundamental, except where the subsidiary is a vehicle company established for the purpose of making the Transaction, in which case the ordinary character must also be checked with respect to at least one of the activities carried out by the Italmobiliare Group.

## **12 Information Flow**

- 12.1 Without prejudice to the information obligation according to the Related Parties Regulation, the CEO, on the basis of the information received by the competent Functions for the Transactions, is obliged to provide a report:
- (a) to the Board of Directors and to the Board of Auditors, at least on a quarterly basis, with respect to Minor Transactions and Significant Transactions executed, with particular reference to the type of relation, the Transaction execution details, the terms and conditions of the Transaction, the assessment procedure followed, the underlying motivations as well as any risks for the Company and its subsidiaries; and
  - (b) to the Board of Directors, at least on a quarterly basis, with respect to the execution of any resolution that is part of the framework Resolution.
- 12.2 On the occasion of Significant Transactions to be carried out also by Italian or foreign subsidiaries of the Company, the Company shall prepare a report, through the Corporate Affairs Department, for the purposes and to the effects of article 5 of the Related Parties Regulation.
- 12.3 If the Company, during the corporate year, carries out with a Related Party, or with related subjects to a Related Party or to the Company, homogeneous Transactions carried out in execution of a unitary design which, though they cannot be individually qualified as Significant Transactions, go beyond the thresholds of relevance indicated in Annex 3 of the Related parties Regulation, considered as a total amount, the Corporate Affairs Department shall prepare an information document. In this case, the provisions as per article 5 of the Related Parties Regulation shall apply.
- 12.4 Without prejudice to article 114, paragraph 1, of TUF, the Company, fifteen days from the end of each quarter in the year, shall make available to the public, at the corporate offices and following the methods described in Section II, Chapter I, of the regulation adopted by means of CONSOB resolution no 11971 dated May 14th, 1999, an information memorandum containing the indication of the counterpart, of the object matter and of the consideration of Minor Transactions approved in the relevant quarter in presence of a negative opinion of the Committee for Transactions with Related Parties, as well as the reasons why it was decided not to follow that opinion. By the same deadline, the opinion shall be made available to the public as an annex to the information memorandum or the Company's website. If the Committee's opinion is affected by the reception of some specific remarks, the publication of the document is not necessary if the remarks were accepted by the competent body that decided upon the Transaction.
- 12.5 The interim report on management and the report on the annual management must contain the information as per article 8, letters from a) to c) of the Related Parties Regulation. Information on individual Significant Transactions can be included by referring to the information documents published, reporting any significant updates.

12.6 If a Transaction with Related Parties is also subject to notification obligation as required by article 114, paragraph 1, of TUF, the press release to be disclosed to the public shall include, in addition to the information to publish according to the provision above, information as per article 6, paragraph 1, letters from a) to e), of the Related Parties Regulation.

### **13 Register of Transactions with Related parties**

13.1 For the purpose of fulfilling the information obligations, the functions responsible for the Transaction must promptly inform the Administration and Control Department on the existing Transactions with Related Parties.

13.2 The Administration and Control Department feeds a specific electronic register where all existing Transactions with Related parties are registered, with the detail of the Transaction amount and of the existing balances.

13.3 For the purpose of ensuring coordination with the procedures as per article 154-*bis* of TUF, the manager in charge of the financial reports will have access to the register of Transactions with Related parties as per this article 13.

### **14 Final Provisions**

14.1 The Company decided to waive: (i) the possibility to define a maximum expenditure amount for the services of independent experts with respect to Minor Transactions as per article 7, paragraph 2, of the Related Parties Regulation and (ii) the possible exemption for Transactions carried out in urgency connected to company crisis situations as per article 11, paragraph 5, of the Related Parties Regulation.

14.2 The Corporate Affairs Department will issue specific service standards, in order to ensure the correct application of the provisions of this Procedure.

## **Annex 1**

### **Form A – Statement of Relation for managers with strategic responsibilities**

I, the undersigned \_\_\_\_\_, born in \_\_\_\_\_ on \_\_\_\_\_ domiciled in \_\_\_\_\_, in my capacity as manager with strategic responsibilities of Italmobiliare S.p.A., as defined by the Regulation on Transactions with Related Parties adopted by CONSOB by means of resolution no. 17221 dated March, 12<sup>th</sup> 2010 and amended by means of resolution no. 17389 dated June 23<sup>rd</sup>, 2010 (the “**Regulation**”),

- i. whereas under the Regulation, Italmobiliare S.p.A. related parties are managers with strategic responsibilities of Italmobiliare S.p.A. and/or its parent company, the close relatives of these managers as well as those entities in which the above mentioned managers and their close relatives exercise control, joint control or considerable influence or hold, directly or indirectly, a significant share, but not lower than 20%, of voting rights;
- ii. having acknowledged the definitions of “*manager with strategic responsibilities*”, of “*close relatives*”, of “*control*”, of “*joint control*” and of “*significant influence*” which are relevant for the purposes of the Regulation and are fully reproduced in the annex to this statement;

**state:**

that I do not control, jointly control, exercise a significant influence on any company or body, that I do not hold a significant share, but no lower than 20%, of voting rights in companies or bodies.

that I control, jointly control, exercise a significant influence or hold a significant share, but no lower than 20%, of the voting rights in the companies/bodies listed below:

<b>Company / body</b>	<b>Taxpayer's</b>	<b>Registered office</b>	<b>Type</b>	<b>of</b>

that the following persons are to be considered as close relatives for the purposes of the Regulation:

<b>Full Name</b>	<b>Personal Data</b>	<b>Taxpayer's Code</b>	<b>Degree of kinship</b>

that these close relatives control, jointly control, exercise significant influence or hold a significant share, but no lower than 20%, of the voting rights in the companies/bodies listed below:

<b>Relative</b>	<b>Company / body</b>	<b>Taxpayer's</b>	<b>Registered Office</b>

I, the undersigned, undertake to promptly notify Italmobiliare S.p.A. of any future change/addition to the information provided herein.

I, the undersigned, hereby authorize Italmobiliare S.p.A. to process data and information included in this document and in the annexes under Legislative Decree no. 196/2003.

**Date**

**Signature**

\*\*\*\*\*

## **Annex**

### **Relevant definitions for the purposes of this statement**

#### **Managers with strategic responsibilities**

Managers with strategic responsibilities are those persons who have the power and responsibility, directly or indirectly, for planning, managing and controlling the company activities, including (executive and non executive) directors of the company.

#### **Close relatives**

Close relatives of a person are those relatives that are likely to influence, or be influenced by, the person concerned in their relationships with the company.

They may include:

- (a) the spouse not legally separated and the cohabitant;
- (b) children and persons depending on the subject, the not legally separated spouse or the cohabitant.

#### **Control and joint control**

Control is the power to determine financial and management policies of an entity in order to obtain benefits from its activities.

The existence of control is assumed when a subject owns, directly or indirectly through its subsidiaries, more than half of the voting rights of an entity, unless, in exceptional cases, it is possible to clearly demonstrate that this stake does not represent control. Control exists also when a subject owns half, or less, of the voting rights to be exercised at the assembly if he/she has:

- (a) control of more than half of the voting rights by virtue of an agreement with other investors;
- (b) the power to determine the financial and management policies of the entity by virtue of bylaws or an agreement;
- (c) the power to appoint or dismiss the majority of the members of the Board of Directors or of the equivalent company management body, and the control of the entity is held by that board or body;
- (d) the power to exercise the majority of voting rights at the meetings of the Board of Directors or the equivalent company management body, and the control of the entity is held by that board or body.

Joint control is the contractual sharing of control on an economic activity.

### **Significant influence**

Significant influence is the power to participate in the determination of the financial and management policies of an entity without having control over it. Significant influence can be obtained by holding shares, by means of statutory clauses or agreements.

If a subject owns, directly or indirectly (for example, by means of subsidiaries), 20% or a higher share of votes that can be exercised at the assembly of the company in which he/she has a stake, it is assumed that significant influence is exerted, unless the contrary can be clearly proven. However, if the subject owns, directly or indirectly (for example, by means of subsidiaries), a share of less than 20% of votes that can be exercised at the assembly of the company in which he/she has a stake, it is assumed that no significant influence is exerted, unless such influence can be clearly proven. The presence of a subject with the absolute or relative majority of voting rights does not necessarily prevent another subject from exerting a significant influence.

The existence of significant influence is usually signalled by the occurrence of one or more of the following circumstances:

- (a) representation in the Board of Directors, or its equivalent body, of the company in which he/she has a stake;
- (b) participation in the decision-making process, including participation in decisions regarding dividends or another type of profit distribution;
- (c) the presence of significant transactions between the shareholder and the company in which a stake is owned;
- (d) interchange of managerial staff;
- (e) the making available of essential technical information.

### **Annex 1 – Statement of Relation**

#### **Form B – Statement of Relation for the Controlling Entity**

I, the undersigned \_\_\_\_\_, born in \_\_\_\_\_ on \_\_\_\_\_ domiciled \_\_\_\_\_ in \_\_\_\_\_, \_\_\_\_\_, in my capacity as legal representative of \_\_\_\_\_ Taxpayer's Code /VAT no. \_\_\_\_\_ registered office \_\_\_\_\_, parent company of Italmobiliare S.p.A. as defined by the Regulation on Transactions with Related Parties adopted by CONSOB by means of resolution no. 17221 dated March, 12<sup>th</sup> 2010 and amended by means of resolution no. 17389 dated June 23<sup>rd</sup>, 2010 (the "**Regulation**"),

- A) whereas under the Regulation, Italmobiliare S.p.A. cementi related parties are the companies subject to common control, managers with strategic responsibilities of the Italmobiliare S.p.A. parent company, the close relatives of these managers as well as those entities in which the above mentioned managers and their close relatives exercise control, joint control or considerable influence or hold, directly or indirectly, a significant share, but no lower than 20%, of voting rights;



B) having acknowledged the definitions of “*manager with strategic responsibilities*”, of “*close relatives*”, of “*control*”, of “*joint control*” and of “*significant influence*” which are relevant for the purposes of the Regulation and are fully reproduced in the annex to this statement;

**state:**

A) that \_\_\_\_\_ exercises control over the following companies:

<b>Company Name</b>	<b>Taxpayer’s Code / VAT</b>	<b>Registered Office</b>

B) that its managers with strategic responsibilities are (including directors and acting auditors):

<b>Full Name</b>	<b>Personal Data</b>	<b>Taxpayer’s Code</b>

Copy of the statement of relation filled in by one’s managers with strategic responsibilities is attached.

The controlling entity undertakes to promptly notify Italmobiliare S.p.A. of any future amendment/addition to the information herein provided.

I, the undersigned, hereby authorize Italmobiliare S.p.A. to process data and information included in this document and in the annexes under Legislative Decree no. 196/2003.

\* \* \* \* \*

**Annex**

**Relevant definitions for the purposes of this statement**

**Managers with strategic responsibilities**

Managers with strategic responsibilities are those persons who have the power and responsibility, directly or indirectly, for planning, managing and controlling the company activities, including (executive and non executive) directors of the company.

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Close relatives of a person are those relatives that are likely to influence, or be influenced by, the person concerned in their relationships with the company.

They may include:

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The existence of control is assumed when a subject owns, directly or indirectly through its subsidiaries, more than half of the voting rights of an entity, unless, in exceptional cases, it is possible to clearly demonstrate that this stake does not represent control. Control exists also when a subject owns half, or less, of the voting rights to be exercised at the assembly if he/she has:

- (a) control of more than half of the voting rights by virtue of an agreement with other investors;
- (b) the power to determine the financial and management policies of the entity by virtue of bylaws or an agreement;
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Joint control is the contractual sharing of control on an economic activity.

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Significant influence is the power to participate in the determination of the financial and management policies of an entity without having control over it. Significant influence can be obtained by holding shares, by means of statutory clauses or agreements.

If a subject owns, directly or indirectly (for example, by means of subsidiaries), 20% or a higher share of votes that can be exercised at the assembly of the company in which he/she has a stake, it is assumed that significant influence is exerted, unless the contrary can be clearly proven. However, if the subject owns, directly or indirectly (for example, by means of subsidiaries), a share of less than 20% of votes that can be exercised at the assembly of the company in which he/she has a stake, it is assumed that no significant influence is exerted, unless such influence can be clearly proven. The presence of a subject with the absolute or relative majority of voting rights does not necessarily prevent another subject from exerting a significant influence.

The existence of significant influence is usually signalled by the occurrence of one or more of the following circumstances:

- (a) representation in the Board of Directors, or its equivalent body, of the company in which he/she has a stake;
- (b) participation in the decision-making process, including participation in decisions regarding dividends or another type of profit distribution;
- (c) the presence of significant transactions between the shareholder and the company in which a stake is owned;
- (d) interchange of managerial staff;
- (e) the making available of essential technical information.