



REPORT OF THE BOARD OF DIRECTORS
ON THE *CORPORATE GOVERNANCE SYSTEM* AND
ON ACCEPTANCE OF THE CORPORATE GOVERNANCE CODE
FOR LISTED COMPANIES FOR THE 2010 FINANCIAL YEAR
(PREPARED IN ACCORDANCE WITH ARTICLES 123-BIS OF THE ITALIAN
CONSOLIDATED LAW ON FINANCE (TUF) AND 89-BIS OF THE ISSUERS'
REGULATIONS)

APPROVED BY THE BOARD OF DIRECTORS OF IL SOLE 24 ORE S.P.A.
ON 15 MARCH 2011

www.gruppo24ore.com

THIS DOCUMENT CONTAINS A TRUE TRANSLATION IN ENGLISH OF THE REPORT IN ITALIAN
“**RELAZIONE DEL CONSIGLIO DI AMMINISTRAZIONE SUL SISTEMA DI CORPORATE
GOVERNANCE E SULL’ADESIONE AL CODICE DI AUTODISCIPLINA DELLE SOCIETA’ QUOTATE
RELATIVA ALL’ESERCIZIO 2010 (PREDISPOSTA AI SENSI DEGLI ARTT. 123-BIS DEL TUF, 89-BIS
DEL REGOLAMENTO EMITTENTI)**”

THE TRANSLATION HAS BEEN PREPARED SOLELY FOR THE CONVENIENCE OF NON-ITALIAN
READERS. HOWEVER, FOR INFORMATION ABOUT GRUPPO 24 ORE REFERENCE SHOULD BE MADE
EXCLUSIVELY TO THE ORIGINAL REPORT IN ITALIAN.

ONLY THE ITALIAN VERSION OF “**RELAZIONE DEL CONSIGLIO DI AMMINISTRAZIONE SUL
SISTEMA DI CORPORATE GOVERNANCE E SULL’ADESIONE AL CODICE DI AUTODISCIPLINA
DELLE SOCIETA’ QUOTATE RELATIVA ALL’ESERCIZIO 2010 (PREDISPOSTA AI SENSI DEGLI
ARTT. 123-BIS DEL TUF, 89-BIS DEL REGOLAMENTO EMITTENTI)**” SHALL ALWAYS PREVAIL UPON
THE ENGLISH VERSION

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DEFINITIONS

Code	The Corporate Governance Code for listed companies approved in March 2006 by the Committee for Corporate Governance and promoted by Borsa Italiana S.p.A.
Board	The Board of Directors of Il Sole 24 ORE
Group	Il Sole 24 ORE and its subsidiaries.
Il Sole 24 ORE	Il Sole 24 ORE S.p.A.
Instructions on the Rules of the Markets organised and managed by Borsa Italiana	Instructions on the Rules of the Markets organised and managed by Borsa Italiana S.p.A.
MTA	Mercato Telematico Azionario [Electronic Stock Exchange] organized and managed by Borsa Italiana S.p.A.
Rules of the Markets organised and managed by Borsa Italiana	The Rules of the Markets organized and managed by Borsa Italiana S.p.A.
Issuers' Regulations	The Regulations issued by Consob by resolution no. 11971 of 14 May 1999 on issuers, as subsequently supplemented and amended.
Report	This <i>corporate governance</i> report, drawn up pursuant to articles 123- <i>bis</i> of the Italian Consolidated Law on Finance (TUF) and 89- <i>bis</i> of the Issuers' Regulations.
Company	Il Sole 24 ORE S.p.A.
“Articles” or Articles of Association	The Articles of Association of the Company
TUF	Legislative Decree no. 58 of 24 February 1998, as subsequently supplemented and amended.

SECTION I – GOVERNANCE STRUCTURE

1. COMPANY PROFILE

1.1 Organization of the Company

The Company adopts a traditional corporate governance system.

The organization of the Company complies with the provisions of the regulations on listed issuers and is structured as follows:

- **Shareholders' Meeting:** this body is competent to decide in ordinary and extraordinary proceedings on matters reserved for it by law and by the Articles of Association;
- **Board of Directors:** this body holds the fullest powers for the administration of the Company, including the power to take all relevant measures to achieve the Company goals, excluding acts reserved for the Shareholders' Meeting, by law or by the Articles of Association;
- **Statutory Audit Committee:** this body is in charge of monitoring: (i) compliance with the law and the Articles, and observance of the principles of correct administration; (ii) the adequacy of the Company's organization, internal control system and accounting administrative system; (iii) the adequacy and effectiveness of the internal control, internal audit and risk management system; (iv) the financial disclosure process and legal audit of the annual and consolidated accounts; (v) the independence of the legal auditing firm, particularly as far as the non-auditing services supplied to the Company are concerned; (vi) the adequacy of the instructions provided to subsidiaries with regard to information to be supplied to fulfil the obligations of communication; (vii) the procedure for the specific implementation of the rules on corporate governance laid down by the Corporate Governance Code and (viii) compliance of the Procedure on the subject of transactions with related parties adopted by the Company with the principles dictated in the Consob Regulations adopted with resolution no. 17221 of 12 March 2010 and subsequent amendments and supplements on observance of the Procedure.

Audits of the Company accounts shall be carried out by the specialized accounting firm KPMG registered with Consob and appointed, on motion by the Statutory Audit Committee, by the Shareholders' Meeting of 30 July 2007.

2. Information on corporate ownership at 15 March 2011

2.1 Structure of share capital

Amount in euros of subscribed and paid-up share capital:

- € 35,123,787.40 fully paid-up

Classes of shares forming the share capital:

- 90,000,000 ordinary shares with no par value;
- 43,333,213 special shares with no par value, of which 3,302,027 are treasury shares.

	No. of shares	% of share capital	LISTED (INDICATE MARKETS) / UNLISTED	Rights and obligations
Ordinary shares	90,000,000	67.50%	Unlisted	Right to vote at ordinary and extraordinary meetings, right to dividend and to repayment of capital in the event of liquidation
Special shares	43,333,213	32.50%	Listed on the MTA	Right to vote at ordinary and extraordinary meetings, preferential right to dividend and right to the apportionment of equity; limit to share ownership equal to 2% plus one share in the share capital (see paragraph 2.3 of this Section for more information)
Shares with limited voting rights	–	–	–	–
Non-voting shares	–	–	–	–

Il Sole 24 ORE has not issued any other classes of shares or financial instruments convertible into or exchangeable with shares.

2.2 Restrictions on the transfer of securities

The Company shares are freely transferable.

2.3 Ownership limitations

Pursuant to articles 7 - 10 of the Articles of Association, special shares are subject to the restrictions illustrated below.

Except for the Company itself, shareholders may not own special shares as treasury shares in a percentage exceeding 2% of the share capital plus one share. This limitation applies both to investments held directly by individual shareholders and: (i) to shares owned by the shareholders' family, including the spouse not legally separated, children living with him and any other person depending on the shareholder; (ii) to shares owned indirectly through subsidiaries, trustees or agents; (iii) to shares owned directly or indirectly by the secured creditor or by the usufructuary, when the corporate rights are assigned to them, and to shares subject to repurchase agreement transactions. The limit also applies to shares owned by the group to which the shareholder belongs, meaning the group formed by subsidiaries, parent companies, or jointly controlled entities, and the group formed by parties associated with the shareholder, whatever their legal status might be.

Shareholders exceeding the aforesaid limit are required to inform the Company in writing immediately after the occurrence of the event causing the limit to be exceeded; excess shares owned must be transferred within one year of the notice or, failing that, of the Company's notification of infringement of the prohibition.

For the shares owned in excess of the limit of ownership laid down by the Articles of Association, the shareholder shall not be entitled to entry in the shareholders' register or to the exercise of the shareholder's rights. Dividends earned on excess shares shall remain acquired by the Company, and shall be posted to an appropriate reserve. If excess shares are owned by several persons or if the limit is exceeded as a result of control, association or similar circumstances, the shareholder's rights assigned to the shares owned in accordance with the limit laid down by the Articles of Association shall be exercised, save as otherwise indicated jointly by the interested parties: (i) as a proportion of each person's equity interest, if the excess is determined by a simultaneous purchase; (ii) by the parties whose equity interest acquired lies within the limit set forth by the Articles of Association, excluding those parties whose share purchase occurred after the limit was exceeded, if the excess derives from successive purchases.

The aforesaid limit to share ownership does not apply and is automatically forfeited if:

- a person acquires the majority of shares with voting rights at the ordinary meeting by means of a public purchase offer;
- after the issue of special shares, a person purchases shares in such an amount as to assign him more than 30% of the voting capital at ordinary meetings, in accordance with the limit of ownership laid down by article 8 of the Articles of Association;
- the Company's ordinary shares are admitted to trading on the regulated markets;
- for purchases after the issue of special shares, a person owns ordinary shares in an amount exceeding 2% of the share capital. This cause of exemption does not apply if the purchase derives from the exercise of option rights held by shareholders already owning ordinary shares prior to issue of the special shares, or from transfers within the scope of the group formed by them and by companies fully owned by them, or finally from transfers within the scope of fiduciary relations.

Each special share entitles the holder to one vote both at ordinary and extraordinary general meetings of the Company and at special category share meetings. The distribution of advance payments of dividends may be decided in favour of special shares, within the limits and with the procedure laid down by law, and a preferential dividend of 5% is assigned to them, adjusted to the book parity implicit in the share itself, which may not be accumulated from one year to the next. If the Company is dissolved, they shall have preferential rights to the distribution of equity up to the amount of the book parity implicit in the share.

2.4 Substantial holdings in share capital

At the date of the Report, based on the results in the Shareholders' Register and taking into account the notices received pursuant to article 120 of the TUF, the following persons may hold Company shares directly or indirectly, in an amount equal to or exceeding 2% of the share capital:

Declarant	Direct shareholders	% of ordinary share capital	% of capital voting rights
Ordinary shares			
Confindustria – Confederazione Generale dell'Industria Italiana	Confindustria – Confederazione Generale dell'Industria Italiana	67.50	67.50
Special-category shares			

Il Sole 24 ORE	Il Sole 24 ORE	2.476	2.476
Edizione S.r.l.	Edizione S.r.l.	2.000	2.000

2.5 Securities conferring special rights

The Company has not issued any securities conferring special rights of control.

2.6 Employees' share investment: system for the exercise of voting rights

No systems for the exercise of voting rights exist in the case of employees' share investments.

2.7 Restrictions on voting rights

Except for the restrictions on special shares owned in excess of the 2% share ownership limit laid down in the Articles, at the date of the Report there are no restrictions to the terms imposed for the exercise of voting rights. Nor are there any financial rights connected with the securities, separate from ownership of the securities.

2.8 Shareholders' agreements

At the date of the Report, we are not aware of any agreements *pursuant to* article 122 of the TUF relating to Company shares.

2.9 Appointment and replacement of directors and amendments to the Articles

For detailed information on the appointment and replacement of directors, see Section 2, point 1.1 of the Report ("*Information on implementation of the provisions of the Corporate Governance Code. Board of Directors. Appointment*").

With regard to the clauses on amendments to the Articles, the Articles do not contain any provisions other than those laid down by the legislation in force.

In accordance with article 2365 of the Civil Code, the Articles confer on the Company's Board of Directors power to decide on the adaptation of the Articles to regulations.

2.10 Powers to increase the share capital and authorizations for the purchase of treasury shares

At the date of the Report, no powers are conferred by the Shareholders' Meeting on the Board of Directors to increase the share capital pursuant to article 2443 of the Italian Civil Code, or to issue participating financial instruments.

Furthermore, the Shareholders' Meeting has not granted any authorizations for the purchase of treasury shares pursuant to articles 2357 et seq. of the Italian Civil Code. However, the Board of Directors was authorized by the Shareholders' Meeting on 28 April 2009 to dispose of the special shares held as treasury shares, pursuant to art. 2357-*ter* of the Italian Civil Code, without any time limits and pursuant to the terms and conditions set out in the stock incentive plans approved by the Company. At the date of this Report, Il Sole 24 ORE owns 3,302,027 special category treasury shares.

2.11 Clauses on change of control

The Company and its subsidiaries are not parties to significant agreements that take effect or are amended or extinguished in the event of a change of control of the contracting company, except for some borrowing agreements held by Il Sole 24 ORE which provide for the possibility of lending organizations withdrawing from the contract and requesting the early repayment of the loan should the majority shareholding change.

At 31 December 2010, the residual amount payable on the loans embedding this clause is €9.6 million.

2.12 Directors' indemnity in the event of resignation, dismissal or termination of employment following a public purchase offer

At the date of the Report, no agreements have been arranged between Il Sole 24 ORE and the directors that provide for indemnity in the event of resignation or dismissal/revocation without just cause or in the event of termination of employment following a public purchase offer.

2.13 Management and coordination

The Company does not believe that it is subject to management and coordination by its controlling shareholder, Confindustria, pursuant to articles et seq. of the Italian Civil Code. Although Confindustria owns 67.50% of the Company share capital, the Company is not subject to "management and coordination" by Confindustria because such activity presumes that the controlling entity actually participate in operating the subsidiary. Confindustria does not participate in Company operations insofar as: (i) the two entities do not have financial, economic or contractual relationships of specific qualitative or quantitative interest, except for economically immaterial relationships conducted on an arm's length basis; (ii) the minutes of the Company management body meetings do not mention any resolution or preparatory act for resolutions approved by those bodies, such as would reasonably allow one to hold that the subsidiary's decisions were the consequence of an imposition of the intentions of or order by the parent company; (iii) likewise, the resolutions of the Board or Management Board of Confindustria do not mention any imposition of its will or order to the Company; (iv) the editor of the newspaper Il Sole 24 ORE was appointed by resolution of the Company Board of Directors, which acted with fully operational and editorial independence; (v) Confindustria does not approve either the *budgets* or *business plans* of the Company or its subsidiaries.

SECTION II – IMPLEMENTATION OF THE RECOMMENDATIONS OF THE CORPORATE GOVERNANCE CODE

ACCEPTANCE OF THE CODE

Il Sole 24 ORE has accepted the Code, following the decision of the Shareholders' Meeting of 20 August 2007.

In accordance with the applicable regulations, the Report illustrates the “*Corporate Governance*” system of Il Sole 24 ORE and indicates the specific procedures for implementation by the Company of the rules of the Code, the text of which can be viewed on the Borsa Italiana website at <http://borsaitaliana.it>.

The primary objective of the corporate governance system adopted by the Company is the creation of shareholder value, in the awareness of the importance of transparency for corporate choices and decision-making – and also of the need to set up an effective internal control system.

1. BOARD OF DIRECTORS

1.1 Appointment of the Board of Directors (art. 6 of the Corporate Governance Code)

The Company is administered by a Board of Directors consisting of 15 members. Pursuant to the Articles, directors are appointed for a period of three years, unless the decision regarding the appointment lays down a shorter period. Directors may be re-elected.

Pursuant to article 22 of the Articles, directors are appointed by voting from lists of candidates, in which they are listed in order and consecutive number. Each list should indicate, for the first three names listed, the candidates which more closely meet the mandatory independence requirements provided by law. It may not contain more than 15 candidates.

The lists may be submitted by shareholders representing at least 1/50 (2%) of the shares with voting rights at the ordinary shareholders' meeting or the lesser fraction of capital required by the applicable laws and regulations. To this regard, please note that the share determined by Consob pursuant to article 144 *quater* of the Issuers' Regulations is greater (2.5%) than that set out in the article of association. Ownership of the minimum share necessary for presenting lists is determined taking into account shares registered to the shareholder on the day when the lists are filed with the Company. The relevant certification, issued according to the procedures dictated by law, can also be produced following filing, provided that it is within the deadline scheduled for publication of the lists by the Company.

Without prejudice to the provisions of the applicable regulations, the lists should be supplemented by:

- (1) information on the identity of the shareholders submitting them, indicating the percentage of share capital held overall and a certificate of ownership of such equity interest;
- (2) a declaration made by shareholders other than those holding a controlling shareholding or relative majority, even jointly, certifying the absence of any connection as indicated by the current laws and regulations;
- (3) a full description of the personal and professional characteristics of the candidates and a declaration made by those candidates certifying satisfaction of the requirements laid down by applicable laws and regulations and by the articles of association along with their acceptance of said nomination. Specifically, the articles of association state that in order to qualify as independent, at least two directors must be chosen from amongst parties that not only have the independence requirements dictated by law but that are also neither individual entrepreneurs who are members of Confindustria or area or trade organisations that are part of Confindustria

nor shareholders exercising control, executive directors or employees of companies belonging to the aforesaid association or aforesaid organisations.

Lists submitted in breach of the foregoing provisions are deemed as not submitted.

The lists are filed with the registered office at least 25 days before the date set for the shareholders' meeting. The lists are made public according to current provisions at least 21 days before said date

A shareholder may not submit and vote on more than one list, not even through an agent or a trustee. Shareholders belonging to the same group or who are members of the same shareholders' agreement on company shares may not submit and vote on more than one list, not even through an agent or a trustee. Votes cast in breach of this provision shall not be assigned to any list.

No one may be a candidate on more than one list and acceptance of nomination on several lists constitutes grounds for ineligibility.

Directors shall be elected as follows: (i) from the list obtaining the highest number of votes, a number of directors equal to the members of the Board of Directors less one, shall be drawn, in the order in which they are listed; (ii) the missing member shall be drawn from the list obtaining the next highest number of votes, provided that such number is at least equal to half the minimum share capital required for the submission of the list of candidates.

1.2 Current members of the Board of Directors (art. 2 of the Corporate Governance Code)

The Ordinary Shareholders' Meeting held on 14 April 2010 appointed a Board of Directors with 15 members who will hold office until the Shareholders' Meeting called to approve the financial statements for the year at 31 December 2012.

The following table shows the 15 current members of the Board of Directors, indicating their respective executive and non-executive duties and satisfaction of the requirements of independence laid down by the Corporate Governance Code:

Name	Office held	Executive / Non-executive	Independent	
			TUF	Code
Giancarlo Cerutti ⁽¹⁾	Chairman of the Board of Directors	Executive	-	-
Donatella Treu ⁽¹⁾	Chief Executive Officer	Executive	-	-
Luigi Abete ⁽¹⁾	Director	Non-executive	-	-
Diana Bracco ⁽¹⁾	Director	Non-executive	-	-
Francesco Caio ⁽¹⁾	Director	Non-executive	Independent	Independent
Pierluigi Ceccardi ⁽¹⁾	Director	Non-executive	-	-
Mario D'Urso ⁽²⁾	Director	Non-executive	Independent	Independent
Antonio Favrin ⁽¹⁾	Director	Non-executive	-	-
Giampaolo Galli ⁽¹⁾	Director	Non-executive	-	-
Piero Gnudi ⁽¹⁾	Director	Non-executive	-	-
Alberto Meomartini ⁽¹⁾	Director	Non-executive	-	-
Nicoletta Miroglio ⁽¹⁾	Director	Non-executive	-	-

Antonello Montante ⁽¹⁾	Director	Non-executive	-	-
Aurelio Regina ⁽¹⁾	Director	Non-executive	-	-
Marino Vago ⁽¹⁾	Director	Non-executive	-	-

(1) Director taken from the majority list presented by Confindustria, holder of 67.5% of the share capital at the date the list is presented.

(2) Director taken from the minority list presented by the following shareholders (holders of a total of 3.61% of the share capital at the date the list is presented): EQ/GAMCO TR Small Company Value Fund, The Gabelli Equity Trust Inc., GAMCO Westwood Mighty MitesSM Fund, The Gabelli Asset Fund, The Gabelli Dividend and Income Trust, The Gabelli Small Cap Growth Fund, The Gabelli Global Multimedia Trust Inc.

Information on the personal and professional characteristics of the individual members of the Board of Directors is provided below.

Giancarlo Cerutti: born in Casale Monferrato (Alessandria) on 28 September 1950, a law graduate. Since 1972, he has worked at Officine Meccaniche Giovanni Cerutti S.p.A., initially in the marketing and sales division and then in the technical and administrative divisions. In 1981 he was appointed managing director of all the companies forming part of the group on that date. He was a member of the Board of Directors of Banca Commerciale Italiana from 23 April 1994 to 26 April 2001 and a member of its Executive Committee from 28 April 1997 to 29 November 1999. He has been a member of the Management Board of Confindustria since June 2008, of which he was Deputy Chairman in charge of Internationalization from May 2000 until May 2004. He has been a member of the Board of Directors of Mediobanca and a member of its supervisory board. He is a member of the Board of Directors of Saras SpA.

Giancarlo Cerutti is a Cavaliere del Lavoro. He has been a Company director since 24 July 2000 and Chairman since 26 April 2007. He has been a member of the Board of the Fondazione Cassa di Risparmio di Alessandria since 23 February 2001 and its Deputy Chairman since 11 August 2009.

Donatella Treu: born in Milan, where she currently resides. She attended the Bocconi University in Milan, where she received top marks upon graduation in economics and business with a thesis on the Strategic Value of Marketing Researcher, written under the supervision of Professor Luigi Guatri. Several months later, in July 1982, she worked first as an intern and then as employee of Ipsoa, a prestigious Milan publisher. She organized courses in the Finance and Control areas at the publishing house's Training School. In 1983, she successfully created the first Ipsoa marketing and sales organization dedicated to the promotion of training courses. In 1987 she was placed in charge of the Strategy and Development Department, where she drafted the first Ipsoa strategic plan. After Ipsoa was acquired by the international publishing group Wolters Kluwer, in 1991 she was placed in charge of the Legal and Work business units, making an important contribution to increasing the presence of the Ipsoa brand on the legal market. In 1998 she became Editor of the group. In March 2001 she was appointed General Manager and in 2003 was named Chief Executive Officer. Over the following three years, Donatella Treu spearheaded an intense program of acquisitions, constantly expanding the Italian holding company of Wolters Kluwer. It acquired ten of the most authoritative and accredited *brands* that create products, publishing services and *software*, and became one of the key *players* on the Italian professional market, with 2007 turnover of over €260 million and about 1,100 employees. In 2007 her business skills and assiduous commitment to equal opportunity and *family friends* policies earned her prestigious national recognition, from being named "Commendatore dell'Ordine al merito della Repubblica Italiana" to award of the "Mela d'Oro 2007" prize for Business Communication by the Fondazione Marisa Bellisario. Following reorganization of the European Division (LTRE) of Wolters Kluwer in order to improve *governance* in its *countries* of operation, in March 2009 Donatella Treu was appointed Regional Manager for Central Europe and Russia. In October, after presentation of the Wolters Kluwer 2010-2012 strategy, she was appointed global CEO of the Legal & Regulatory Division (turnover of €1.5 billion, out of the €3.4 billion Group total, and staffed by 9,000 of the Group's 17,000 total employees). She has been Chief Executive Officer of Il Sole 24 ORE since 2010.

Luigi Abete: born in Rome on 17 February 1947, he is a law graduate. He was Chairman of the National Committee of Young Businessmen of Confindustria (1978-1982), Chairman of the Lazio Industrialists Federation (1983-1986), Chairman of Confindustria (1992-1996), President of the LUISS Guido Carli University (1993-2001), and Chairman of UIR – Union of Rome Industrialists and Businesses (2004-2008). He is President of the LUISS Business School, a lifetime ex officio member of the Confindustria Board, Chairman of Assonime – Association of Italian Joint-Stock Companies, Chairman of IEG Italian Entertainment Group S.p.A., Chairman of Cinecittà Studios S.p.A., Chief Executive Officer of Cinecittà Entertainment S.p.A., Chairman of A.BE.T.E. Azienda Beneventana Tipografica Editoriale S.p.A., Chairman of Civita Servizi S.r.l., and Chairman of Banca Nazionale del Lavoro S.p.A. (since 1998). He was named Cavaliere del Lavoro on 2 June 2000. On 22 June 2007 the University of Sannio awarded him an honorary degree in economics and business. He was appointed Company director on 30 October 2007 and took up office on 6 December 2007, the date on which the special shares were first traded on the MTA.

Diana Bracco: born in Milan on 3 July 1941, she is a graduate in chemistry. She is currently Chairman and Chief Executive Officer of Bracco S.p.A., Chairman and Chief Executive Officer of Bracco Imaging; Chairman and Chief Executive Officer of the Centro Diagnostico Italiano, Chairman of Expo 2015 SpA, Chairman of the special project “Research and Innovation” and “Expo 2015” of Confindustria. She is a member of the Chairman’s Committee of Federchimica and the Management Board of Assolombarda (associations in which she has served as Chairman), Deputy Chairman of the Milan Chamber of Commerce, the Chairman of the Fondazione Bracco, Chairman of the Fondazione Sodalitas, Chairman of the Fondazione Milano for 2015, Chairman of the Fondazione Mai of Confindustria, Member of the Board of Trustees of the Filarmonica della Scala, and Member of the Supervisory Board and of the Internal Control Committee of the Deutsche Bank. A Cavaliere del Lavoro, she was awarded an *honorary* degree in pharmacy by the University of Pavia and in medicine by the Università Cattolica del Sacro Cuore of Rome. She was appointed director of the Issuer on 30 October 2007 and took up office on 6 December 2007, the date on which the special shares were first traded on the MTA.

Francesco Caio: born in Naples on 23 August 1957, he received his engineering degree from the Politecnico of Milan in 1980. He attained an MBA at Insead of Fontainebleau, France in 1985. He has been Deputy Chairman of Banca di Investimenti Nomura Int. in London since 2008. He was consultant to the English and Italian governments for defining industrial policy plans for developing broadband telecommunications networks in 2008 and 2009. During his career he has held top management positions in multinational groups operating in the telecommunications, technologies and durable goods sectors. He was CEO of Cable & Wireless - landline and mobile telecommunications in more than 25 countries - from 2003 to 2006 (London). He was CEO of Netscalibur internet services for businesses (London and Milan) from 2000 to 2006. He was CEO of Merloni Elettrodomestici S.p.A. (today Indesit Company) in Fabriano, Italy from 1997 to 2000. From 1993 to 1996 he served as CEO of Omnitel, the first private mobile telephony operator in Italy (today Vodafone Italia), and then as CEO of Olivetti. He has been an independent director of Invensys (London) since 2009. He was independent director of Motorola (Chicago) from 2000 to 2003 and of Equant (New York/Amsterdam) from 1997 to 2000.

Pierluigi Ceccardi: he was Director of Banca Popolare di Poggio Rusco, later merged into Banca Popolare di Bergamo-Credito Varesino, from 1979 to 1986. In 1985 he was chosen as a member of the Federmeccanica Board of Confindustria. In 1993 he was appointed Deputy Chairman of the Mantua Industrialists Association with the task of looking after its economic-administrative management appointed him by the Chairman Roberto Colaninno, Cav. Lav. He was Chairman of Assoservizi Srl, the company that manages the

commercial activities of the Industrialists Association, from 1993 to 1995. He was also Deputy Chairman of Confidi, the consortium guaranteeing lines of credit for the Mantuan companies, from 1995 to 1998. He served as Chairman of Immobiliindustria Spa, the real estate management company of the Mantuan entrepreneurs, and of the Industrialists Association from 1993 to 1998.

From 1997 to 2004 he sat as member of the Board of Directors of Cassa di Risparmio di Mirandola (today Banca CR di Firenze) and is one of the creators of the prestigious Pico della Mirandola prize awarded to personalities of national and international standing. He was member of the Lombardy Confindustria Management Board (2002-2006). From 2000 until 2002 he was Chairman of the "Assindustria Energia Mantova" Consortium, a prominent purchasing group that provided significant savings to the leading Mantuan companies. He held the office of Chairman of the Mantua Industrialists Association, a body with about 600 company members with more than 30,000 employees, from 2002 to 2006. He was member of the Board of Directors of Banca CR Firenze from 2004 to 2007. During the same period he was a member of the Board of Directors of the Valerio Catullo Airport of Verona by appointment of the Mantuan shareholders (Municipality of Mantua, Province and Chamber of Commerce).

He became member of the Confindustria Board in 2004. A member of the Management Board of Federmeccanica (made up of the most prominent companies of Italy's production sector), he sat as Deputy Chairman from 2004 to 2008. He was also member of the Board of Directors of the Fondazione Comunità Mantovana (non-profit institution) and a contributor to the Foundation, which manages interventions of social utility to the benefit of the area's needy.

He was Chairman of Fondo Cometa (closed-in fund of the engineering industry) from 2004 to 2008. Fondo Cometa manages €5,400,000,000 of assets and has 500,000 members. In his office of Chairman of the fund, he handled relations with the various managers (Pioneer, Generali Venezia, Cattolica Assicurazioni, Unipol, etc.). During the same period he was member of the Board of Directors of the company ADG Training, whose purpose is *training* for the Garda Airports. He was elected Chairman of Federmeccanica, a federation today numbering 12,000 company members that employ more than 900,000 people.

He is Chairman of the Unicredit Bassa Padana Territorial Committee, which comprises the provinces of Mantua, Cremona, Lodi and Pavia. He was member of the Board of Directors of Unicredit Corporate Banking from May 2009 to 31 October 2010. In April 2010 he became a member of the Board of Directors of "Il Sole 24 Ore", and on 1 January 2011 became a member of the Unicredit Advisory Divisional Board.

Mario D'Urso: born in Naples on 8 April 1940, a law graduate and practices law.

He obtained a Master's Degree in Comparative Law at George Washington University.

He was CEO of Kuhn Loeb Lehman Brothers from 1968 to 1995.

He served as Chairman of the Italy Fund from 1990 to 1995.

From 1990 to 1996 he was member of the Board of Directors of Kissinger Associates.

He was Undersecretary to Foreign Trade and European Community Policies in the Dini government.

Elected Senator of the Republic in 1996, he held the office of Secretary of the Third Permanent Commission - Foreign Affairs and Immigration of the Finance and Budget Commissions.

He is currently: member of the Board of Directors of K.M.E. (former Orlando group), Director of various investment funds of the Gabelli Asset Management Group, Chairman of the Fondazione Friends of Progetto Uomo Inc. Foundation in the U.S.A., member of the Board of Directors of the Italian-American Foundation for Cancer Research.

Antonio Favrin: born in Oderzo (Treviso) on 23 September 1938, he is a graduate in engineering.

since June 2004 he has been Chairman of the Board of Directors of Marzotto S.p.A., a company operating in the textiles sector; since July 2005 he has been Chairman of Portogruaro Interporto S.p.A., a company operating in the transportation sector; since July 2008 he has served as Director of Immobili e Partecipazioni SpA, a company operating in the real estate sector; since 19 September 2008 he has been Sole Director of Faber Five S.r.l., a company operating in the financial-real estate sector; since 18 February 2010 he has been Chairman of Linificio e Canapificio Nazionale S.p.A., a

company operating in the textile sector of which he served as Deputy Chairman since 11 October 2007. Since 5 March 2010 he has been Deputy Chairman of Ratti SpA, a company operating in the luxury sector of which he has been a Director since 12 November 2009. He is a member of the Confindustria Board, Member of the Assonime Board, Deputy Chairman of Confindustria Veneto and Chairman of Neafidi, a mutual cooperative organization. He was appointed Company director on 30 October 2007 and took up office on 6 December 2007, the date on which the special shares were first traded on the MTA.

Giampaolo Galli: born in Milan on 13 March 1951; graduated with honours and the mention “worthy of publication” in Political Economics at the Bocconi University, Milan in 1975. He has obtained Ph.D. in Economics in 1980 at MIT (Cambridge, Massachusetts), where he conducted research with Franco Modigliani and Robert Solow on risk theory and financial systems. In 1979 he conducted research at the International Monetary Fund in Washington. Between 1980 and 1992 he dealt with the money market, econometric research and economic forecasting at the Bank of Italy Study Department. From 1992 to 1995, as head of the International Study Department, he dealt with International Monetary Relations within the EMS and with the other main areas, and represented the Bank of Italy on various international bodies, including the European Union Monetary Committee, the OECD Economic Policy Committee, and the G10 Committee of Alternates.

From March 1995 to February 2003 he was Chief Economist of Confindustria. From March 2003 to January 2009 he was General Manager of ANIA, Associazione Nazionale fra le Imprese Assicuratrici.

From 1995 to 2003 he was member of the National Institute of Economic Research (London); advisor to the Monetary and Financial Affairs Commission of the European Parliament on questions of European monetary policy; member of the EMU Monitor of Frankfurt (with P. Artus, E. Bombhoff, M. Neuman and J. Von Hagen); and member of the group of economic consultants to the Chairman of the European Commission.

He has been a lecturer in Econometrics, Monetary Policy and Economic Policy at the Bocconi University in Milan, University of Rome “La Sapienza” and the Luiss-Guido Carli University.

He is the author of numerous articles in newspapers and scientific journals.

He is presently General Manager of Confindustria and Director of CNEL (National Economics and Labour Council). He also devotes himself to teaching Global Macroeconomic Prospects at Luiss-Guido Carli University in Rome.

Piero Gnudi: born in Bologna on 17 May 1938. He graduated with a degree in Economics and Business from the University of Bologna in 1962. He is the owner of one of the leading Italian accounting firms, with offices in Bologna. He was economic advisor to the Italian Ministry of Industry (1995-1996) and has been member of the Board of Directors of IRI S.p.A. since 1994 (first as director, then as director with delegation on denationalization. He took over the office of Chairman in December 1999. He was also Chairman of the Liquidators Committee from June 2000 until December 2002, the date IRI closed. He also held the office of Chairman of Fondazione IRI from 2000 to 2002. From 2002 until 2005 he was Chairman of Wind S.p.A. He held the office of Chairman in a number of Italian companies, including TERNA S.p.A., RAI Holding, Astaldi S.p.A. and Locat S.p.A. In 1984 he was elected Deputy Chairman of Banca del Monte di Bologna e Ravenna. He also served as Deputy Chairman of various banks such as Carimonte Banca, Unicredit Banca d'Impresa S.p.A. and Credito Romagnolo. He held a number of offices within boards of directors and boards of statutory auditors of important Italian companies including Stet, Eni, Enichem, Credit and Merloni. He was appointed government receiver of Extraordinary Administration of the Fochi Group. He was a member of the Italian Committee for reform of the Corporate Governance Code for listed companies (Preda Code). He is presently Chairman of Enel S.p.A., Enel Distribuzione S.p.A. and Emittenti Titoli S.p.A. He also holds the office of Deputy Chairman of Alma Graduate School. He is member of the administrative body of various companies such as Unicredit S.p.A., Alfa Wassermann S.p.A., D&C S.p.A. and Galotti S.p.A. He is also member of the General Board and Management Board of *Assonime*, Member of the Executive

Committee and General Board of the *Aspen Institute* and Member of the Management Committee of the *Council for the United States and Italy*. He is also a member of the Management Board and Executive Board of Confindustria.

Alberto Meomartini: He has been Chairman of Assolombarda since June 2009 and is Chairman of GNL Italia SpA (Snam Rete Gas).

A graduate in Economics and Business from the Bocconi University in Milan, he has held important offices at Snam and Eni since the 1970's. He was a close collaborator of Prof. Reviglio at the Italian Ministry of Finance from 1979 to 1981. He has been Chairman of Assolombarda since June 2009 and is Chairman of GNL Italia SpA (Snam Rete Gas). He has been member of the Confindustria Board for many years, and is its Chairman of the University Commission; he is member of the "Education" confederation Technical Committee and member of the "EXPO 2015" confederation Technical Committee. He is Chairman of the Nucleo di Valutazione of LUISS Guido Carli University of Rome, and of the Istituto di Economia e Politica dell'Energia e dell'Ambiente (IEFE) of the Bocconi University. He is also a member of the Boards of Directors of the Il Sole 24 Ore Group, the Bocconi University and the Poldi Pezzoli Museum.

Nicoletta Miroglio: born in Alba on 9 December 1951. She has been member of the Board of Directors of Miroglio S.p.A. and General Manager of the Comoseta Business Unit since 1994. In addition to the above-mentioned offices, she is also member of the Executive Committee that manages the three major divisions of the Group.

In 2009 Miroglio S.p.A. numbered more than 8000 employees and had a turnover of more than € 1 billion. After having completed classical studies at Poggio Imperiale in Florence, she moved to Paris for two years to attend marketing courses applied to high fashion. Afterwards she went to New York for three years, where she studied marketing applied to the textile industry in depth. She was then appointed by her father, Franco, to follow the opening of the U.S. branch in Manhattan. After starting it up, she returned to Italy and was named manager of the textile product as a result of her successful experience.

After having internationalized the textile product, in the late 1980's she was appointed to totally manage Comoseta, the high level business unit (innovative products) that the group had recently acquired.

In the 1990's she supervised the acquisition of the company Ulmia, which she managed until it was totally amalgamated into the ranks of Miroglio Tessile.

With the development of the new printing on fabric technologies such as *link jets*, Nicoletta Miroglio developed new and more efficient printing methods that make it possible to follow the customer more quickly and with more dedication, to perfectly integrate with the fast fashion chain that demands more and more speed in new proposals.

During her activities, Nicoletta Miroglio has always paid special attention to the employees and their families which led to the building of a company nursery school that takes in the children of the female workers.

Together with her father, Franco, she has been promoter of the Foundation initiative aimed at co-financing the new Alba-Bra Hospital under construction.

Antonello Montante: born in San Cataldo in 1963. In 2008 he was named Cavaliere del Lavoro. Chairman of the Montante Group and its associated companies, Chairman of the Board of Directors of Alechia S.p.A., CEO of Tivet s.r.l. - company of Politecnico of Milan, member of the Board of Directors of Fondazione Istituto Euro Mediterraneo - Onlus (non-profit institution), Director of Banca d'Italia CL Branch.

He currently holds the following offices: Chairman of Confindustria Caltanissetta, Deputy Chairman of Vicario Confindustria Sicilia, Deputy Chairman of UCRIFER/ Assifer – UNIONE NAZIONALE COSTRUTTORI E RIPARATORI FERROTRANVIARI. He was Chairman of the Young Businessmen of Confindustria Caltanissetta, member of the national board representing young

businessmen under the chairmanship of Ms. Marcegaglia, and Chairman of the Confindustria Sicily Regional Committee.

Aurelio Regina: is Chairman of Manifatture Sigaro Toscano, the company that produces the world's most famous Italian cigar. He is partner of Egon Zehnder International, the world's leading company in the top management executive search sector. He is also a successful entrepreneur in the communications, IT, services and consumer goods sectors, and is Managing Director of British American Tobacco Italia, a BAT group company, the most international multinational tobacco company and one of the most important international consumer goods companies in the world (with more than 6,000 employees and more than 53,000 around the world).

He graduated with honours in Political Science at the Free University of Social Studies in Rome, was Assistant to the Chair of Methods for Resolving International Conflicts and also Assistant to the Chair of Global Strategy at the school of Army War and in 1986 at the UN in New York as aide of the Deputy Secretary General for Middle East themes. He joined Procter & Gamble Italia in 1988, where he attained the position of Communications and Relations with Public Institutions and Legislative Studies Manager and during that same period received a Master's Degree in Science and Technology of Legislation at the Higher Institute of Legislative Studies and a Master's Decree in Advanced Finance at INSEAD in Fontainebleau.

At the early age of 27 he was already a company manager and in 1991 was appointed Director Corporate Affairs Italia of the Philip Morris Companies Group. Later he was promoted to Managing Director of Philip Morris Corporate Services Inc., Italian branch, in addition to Managing Director Philip Morris srl, where at that time he contributed to the Group's enormous expansion in Italy, operating worldwide in the food and tobacco sectors.

Amongst the many other offices he has held, he is the Chairman designate of Un-Industria (Union of Industrialists and Businesses) of Rome, Frosinone, Rieti and Viterbo for the four-year period 2008-2012, and Deputy Director for Internationalisation and Treasurer, Chairman of Sistemi & Automazione S.p.A., and was Member of the Board of Directors of Sviluppo Italia S.p.A. He has also held the office of Chairman of Fondazione Musica per Roma since 2011.

He is Deputy Chairman of Centro Studi Americani, member of the Board of Aspen Institute Italia, Member of the Advisory Committee for Corporate Governance of the World Bank in Washington, Management Director of the US Council for Italy and US and of the American Chamber of Commerce in Italy.

Marino Vago: born in Busto Arsizio on 14 August 1955, he is CEO of Vago SpA, a company operating in the textile finishing sector with approximately 40 staff.

He is also a member of the Board of Directors of Banca Popolare Commercio Industria S.p.A., member of the Board of Directors of Cobra Automotive S.p.A. and member of the Board of Directors of Università Carlo Cattaneo di Castellanza

Always committed to business associations, he joined the group Giovani Imprenditori dell'Unione Bustese degli Industriali in 1977, becoming chairman in 1987: he held this position until the merger of the pre-existing Industrial Associations of Busto Arsizio and Varese in 1989.

Since 1989 he has been a member, representing small enterprises, of the Board of the Unione degli Industriali della Provincia di Varese, formed on the merger of the aforesaid two Associations.

In 1993 he was elected Chairman of the Comitato Piccola Industria and, in that capacity, became a member of the Steering Council of the Unione degli Industriali della Provincia di Varese.

From October 1995 to June 1999 he was a member of the Comitato Nazionale Piccola Industria di Confindustria and from June 1997 to June 1999 he was an elective member of the Consiglio Centrale Piccola Industria.

He was Vice Chairman of the Associazione Nobilitazione Tessile from June 1996 to June 1999 and Chairman of the Unione degli Industriali della Provincia di Varese from June 1999 to May 2003. He was Vice Chairman of Confindustria Lombardia from November 2001 to June 2004.

He was Vice Chairman of Confindustria responsible for organization and marketing from May 2004 to May 2008.

He was appointed Company director on 14 March 2008 replacing Matteo Colaninno, and was appointed Chairman of the Internal Control Committee on that same date.

1.3 Role and duties (art. 1 of the Corporate Governance Code)

The Company's Board of Directors plays a key role within the Company's organization and holds the duties and responsibilities of strategic and organizational guidance, as well as checking the existence of all controls deemed necessary to monitor the Company's and the Group's operations. Considering its role, the Board of Directors meets regularly and is organized and operates in such a way as to guarantee the efficient fulfilment of its duties.

Pursuant to article 28 of the Articles of Association, the Board of Directors holds the fullest powers for the ordinary and extraordinary management of the company, without any exceptions, and is authorized to take any measures it considers advisable for the implementation and achievement of the Company goals, with the sole exclusion of those expressly reserved by law for the Shareholders' Meeting. Article 15 of the Articles of Association also grants the Board of Directors, within statutory limits, responsibility for decisions concerning mergers and demergers in those cases laid down by articles 2505, 2505-*bis* and 2506-*ter* of the Civil Code, the opening and closure of secondary offices, the reduction in share capital resulting from a shareholder's withdrawal, amendment of the Articles in compliance with statutory provisions and move of the registered office within national territory.

In accordance with the criteria laid down by article 1.C.1 of the Corporate Governance Code, within the scope of the activities conducted, the Board of Directors:

- examines and approves the strategic, industrial and financial plans of the Company and of the group to which it belongs, the Company's corporate governance system and the structure of the group;
- assesses the adequacy of the organizational, administrative and general accounting structure of the Company and its strategically relevant subsidiaries, as determined by the Chief Executive Officer, specifically with regard to the internal control system and to managing any conflicts of interest;
- assigns and revokes powers conferred on the Chief Executive Officer, defining the limits and the procedure for exercise thereof; it also establishes the frequency, which must be at least quarterly, at which the managing director has to report to the Board on the activities conducted using the powers conferred;
- after hearing the Statutory Audit Committee (and the Committee for transactions with related parties, if applicable), determines the remuneration of the Chief Executive Officer and the directors holding special offices;
- assesses the general management of the business, taking into account, in particular, the information received from the Chief Executive Officer, and periodically comparing the results achieved with those planned;
- examines and preliminarily approves the transactions of the Company and its subsidiaries, when such transactions have a significant strategic, economic, financial impact on the Company itself, paying particular attention to situations in which one or more directors hold an interest on their own behalf or on behalf of third parties and, more generally, to transactions with related parties;
- at least once a year, assesses the size, composition and functioning of the Board of Directors itself and of its committees, possibly providing guidance on professionals whose presence on the Board is deemed advisable;

- provides information, in the *corporate governance* report, on the number of meetings of the Board of Directors held during the course of the financial year and on the relevant percentage of participation of each director; and
- exercises all other powers assigned to it by law and by the Articles.

The Board of Directors, pursuant to article 36 of the Articles, reports to the Statutory Audit Committee on the activities conducted and on the transactions of major economic and financial significance, carried out by the Company or by its subsidiaries, and in particular on the transactions in which the directors have an interest, on their own behalf or on behalf of third parties, or are affected by the person conducting management and coordination activities. This information is also supplied by the bodies delegated, ordinarily during meetings of the Board of Directors or Executive Committee, where appointed, to be held at least quarterly; this will be recorded in the minutes of the respective meetings. The information provided to the Committee outside meetings of the Board of Directors and Executive Committee is notified to the Chairman of the Statutory Audit Committee in writing.

Specifically in regard to FY2010, the Board of Directors:

- took note of the updated survey of risks confronting the issuer and its subsidiaries and the measures implemented for management and/or mitigation of these risks, finding that these risks are fairly identified, managed and monitored for fair, effective management of the business, and therefore having assessed the adequacy of the organizational, administrative and general accounting structure of the Company set up by the Chief Executive Officer, specifically in regard to the internal control system and management of conflicts of interest;
- assessed the adequacy of the organizational, administrative and general accounting structure of the subsidiaries of strategic significance;
- assessed overall operating performance;
- assessed the independence of its members;
- assessed the size, composition and operations of the Board of Directors itself;
- approved in advance all transactions by the subsidiaries that had particular strategic importance or major impact on the Company's income, assets, liabilities and/or financial position;
- approved related party transactions subject to the approval of the Board of Directors, pursuant to the procedure implemented by the Company and whose update pursuant to current regulations was approved by the Board of Directors on 11 November 2010.

The Company has not granted any exceptions to the non-competition clause *pursuant to* article 2390 of the Italian Civil Code.

1.4 Other director or auditor positions held by directors of Il Sole 24 ORE

All directors devote the necessary time to the useful performance of their tasks, aware of the responsibilities inherent in the positions held; they are kept constantly informed of the main new laws and regulations concerning the Company and the fulfilment of their duties. The directors perform their tasks independently, aware of the reasons for them, pursuing the primary aim of creating value for shareholders in the medium/long term.

Pursuant to article 1.C.3 of the Code, on 14 March 2008 the Board of Directors issued guidance on the maximum number of positions of administration and control that directors can hold in other listed, banking, insurance and financial services companies.

In particular, as provided for by the Code, the Board has identified different criteria depending on the type of position (executive or non-executive) held.

The following table shows further positions of administration and control held by the members of the Board of Directors in other listed banking, financial services and insurance companies. The following information emerged from a check on all positions conducted by the Board of Directors on 15 March 2011.

Last Name, First name	Positions held outside the Company
Giancarlo Cerutti	Managing Director of Cerfin S.p.A.
	Director of Saras S.p.A.
Luigi Abete	Chairman of Banca Nazionale del Lavoro S.p.A.
	Director of Tod's S.p.A.
	Director of Fineldo S.p.A.
	Director of Marcolin S.p.A.
	Director of ArtigianCassa S.p.A.
Diana Bracco	Member of the Supervisory Board of Deutsche Bank Italia
	Member of the Internal Control Committee of Deutsche Bank Italia
	Alternate Arbitrator of Banca Popolare di Sondrio
Antonio Favrin	Sole Director of Faber Five s.r.l.
	Director of Ratti S.p.A.
Aurelio Regina	Chairman of Credit Suisse Italia S.p.A
Marino Vago	Member of Supervisory Board of Varese Investimenti S.p.A.
	Director of Banca Popolare Commercio e Industria S.p.A.
Piero Gnudi	Enel S.p.A.
	Unicredit S.p.A.
Pierluigi Ceccardi	Chairman of Raccorderie Metalliche S.p.A.
	Member of the Unicredit Corporate and Investment Banking Committee

1.5 Board of Directors' meetings

In 2010 the Board of Directors met 8 times. The average duration of the meetings was 3.5 hours. The table below shows the number of meetings of the Board of Directors and attendance by individual directors.

Members	No. Meetings	No. of meetings attended
Giancarlo Cerutti	8	8
Donatella Treu ⁽¹⁾	8	7
Luigi Abete	8	8
Diana Bracco	8	6
Francesco Caio ⁽²⁾	8	6

Pierluigi Ceccardi ⁽²⁾	8	6
Mario D'Urso ⁽²⁾	8	6
Antonio Favrin	8	8
Giampaolo Galli	8	8
Piero Gnudi ⁽²⁾	8	4
Alberto Meomartini ⁽²⁾	8	5
Nicoletta Miroglio ⁽²⁾	8	5
Antonello Montante ⁽²⁾	8	3
Aurelio Regina ⁽²⁾	8	6
Marino Vago	8	8
Nicola De Bartolomeo ⁽³⁾	2	1
Paolo Lamberti ⁽³⁾	2	2
Giovanni Lettieri ⁽³⁾	2	2
Gaetano Maccaferri ⁽³⁾	2	2
Francesco Profumo ⁽³⁾	2	2
Marco Salomoni ⁽³⁾	2	2
Luca Tacconi ⁽³⁾	2	2
Marco Weigmann ⁽³⁾	2	2

(1) Director co-opted on 1 February 2010 and confirmed by the shareholders' meeting called to approve the financial statements as at 31 December 2009 held on 14 April 2010.

(2) Director appointed for the first time by the shareholders' meeting called to approve the financial statements as at 31 December 2009 held on 14 April 2010.

(3) Director resigned during the shareholders' meeting called to approve the financial statements as at 31 December 2009 held on 14 April 2010.

The Administration, Finance and Control Director Giuseppe Crea and the Human Resources Director Gianluca Perin attended the above-listed meetings.

As far as FY2011 is concerned, three meetings have already been held on 21 January, 11 February and 15 March; at least three meetings are still to be held, scheduled on the calendar of corporate events published in a press release issued on 5 January 2011.

The other three meetings already planned are scheduled for the approval of the first quarter, half year and third quarter results, respectively.

Pursuant to article 25 of the Articles of Association, notice of meetings of the Board of Directors is given by the Chairman by registered mail to be sent to the address of each director and statutory auditor at least six days prior to the date fixed for the meeting; in the event of an emergency, notice may be given by telegram or fax or, where expressly permitted by each individual addressee, by email to be sent at least six hours advance in any event.

Board meetings may be held by video or teleconference provided that all the participants can be identified and are able to follow the discussion and to participate in real time in dealing with the items on the agenda.

The Board of Directors' resolutions shall be validly passed when an absolute majority of its members in office attend the meetings. The passing of resolutions will require an absolute majority of votes in favour of the Directors in attendance.

The Chairman ensures that the Directors are given adequate and timely information to enable the Board to give its opinion on matters submitted for its assessment with the necessary knowledge.

1.6 Non-executive directors (art. 2 of the Corporate Governance Code)

Excluding the Chief Executive Officer and the Chairman, the Board of Directors is composed of non-executive members (as they do not hold operating powers and/or managerial duties within the Company). The presence of these non-executive directors guarantees a sufficient number and authority to take balanced Board decisions, particularly with regard to areas in which conflicts of interest may arise.

The non-executive directors provide their specific technical and strategic competence in Board discussions, so as to favour a review of the points for discussion from different perspectives, leading to decisions being taken with knowledge and in keeping with Company interests.

1.7 Independent directors (art. 3 of the Corporate Governance Code)

The Company's Board of Directors currently in office has two independent members, i.e. Francesco Caio and Senator Mario D'Urso.

At the meeting held on 15 March 2011, based on the declarations made by the aforesaid independent directors, the Board of Directors checked that the requirements of independence were met as laid down by the Code. This check was made pursuant to article 3 of the Code. In making the aforesaid assessments, the Board applied all the criteria laid down by the Code. At its meeting held on 15 March 2011, the Statutory Audit Committee checked the correct application of the assessment criteria and procedures adopted by the Board to assess the independence of its members.

The independent directors have not so far considered it necessary to meet in the absence of the other directors. In any event, they are guaranteed direct access to management.

Finally, it is noted that the requirements for the establishment of a lead independent director, as per the Corporate Governance Code, do not apply since the Chairman of the Board of Directors does not hold key responsibility in managing the Company (chief executive officer), nor does he have a controlling shareholding in the Company.

1.8 Company powers and representation (art. 2 of the Corporate Governance Code)

Article 30 of the Articles provides that the Board of Directors shall have the power to delegate all or some of its duties, excluding those which cannot be delegated by law or pursuant to the Articles, to an executive committee. The Board of Directors also has the power to appoint one or more managing directors from its members, fixing their powers and remuneration pursuant to the law.

The Board of Directors granted Chairman Giancarlo Cerutti with the authority necessary to represent the Company, as well as other management authority, including that of appointing, dismissing and/or terminating the Editors in Chief of Group publications. On 15 April 2010, the Board of Directors appointed Donatella Treu as Chief Executive Officer, granting her the authority necessary to represent and manage the Company.

In addition to the responsibilities given the Board of Directors by current legal provisions and regulations, it is also responsible for: (i) the arrangement of contracts, formation of easements and provision of guarantees on immovable property; (ii) any type of agreement connected with the takeover and transfer of equity interests and interests in companies, firms and businesses and business divisions and company acquisitions; (iii) the arrangement of guarantees, lines of credit, mortgages and loans in general for amounts exceeding €5 million; (iv) the provision of personal guarantees and sureties, the issue, acceptance or endorsement of bills of exchange; (v) the examination and approval of the strategic guidance of the Company and its subsidiaries, and the guidelines for the management of investments in the share capital of other companies; (vi) the appointment, revocation and/or dismissal of the manager of "Il Sole 24 ORE"; and (vii) the disposal of Il Sole 24 ORE.

Pursuant to article 29 of the Articles of Association, legal representation of the Company with use of the company signature is held by the Chairman of the Board of Directors, the Vice Chairman and the

Chief Executive Officer. All other directors represent the Company within the limits of the powers conferred on them by the Board.

The delegated officers report to the Board of Directors on the activities conducted in exercising the powers conferred on them at quarterly intervals.

At the date of the Report, the Company has not appointed the Executive Committee.

1.9 Evaluation of operation of Board of Directors

At least once a year, the Board of Directors assesses the size, composition and functioning of the Board and its Committees, possibly providing guidance on professionals whose presence on the Board is deemed advisable.

According to the assessment conducted by the Board of Directors the situation is wholly adequate, especially as regards the efficacy and efficiency of the activities of the Board and its Committees. The evaluation focused on the structure, composition, role and responsibilities of the Board (also with reference to the component represented by the independent directors), and on the conduct of Board meetings, the contribution made by participants in terms of the input of professionalism by directors, the level and quality of the information provided to the Board before and during meetings, and consequently the real possibility of making well-informed decisions, the frequency and duration of the meetings, and the possibility of examining in detail subjects of a strategic nature, including those directly connected with the Company's management.

1.10 Compensation of Directors

A substantial portion of the remuneration of the executive directors and managers with strategic responsibilities in the Company and in some subsidiaries is connected with the achievement of specific Company performance targets.

In addition to their fixed remuneration, the Chief Executive Officer, as a director with authority delegated by the Company, and the managers with strategic responsibilities at the Company and at the subsidiary Nuova Radio S.p.A., have benefited from a stock option plan involving the assignment of a total of 2,250,000 options in a single tranche for the purchase of the same number of the Company's special shares, subject to achieving or exceeding a Group consolidated EBITDA for the 2008-2010 financial years, corresponding to the sum of the forecast Group consolidated EBITDA for the same years as approved by the Company's Board of Directors on 30 October 2007. The final 2008, 2009 and 2010 EBITDA figures demonstrate that the budget amount of consolidated Group EBITDA for financial years 2008 - 2010 was not met, and therefore the Board of Directors declared the stock option plan closed without assigning shares on 15 March 2011.

After receiving the favourable opinion of the Remuneration Committee and Statutory Audit Committee, on 15 April 2010 the Board of Directors determined the remuneration of Donatella Treu, Managing Director of the Company, pursuant to art. 2389 of the Italian Civil Code.

The compensation of non-executive directors is not tied to the earnings results of the Company. These directors do not benefit from any stock option plan but rather from the fee payable to members of the Board of Directors decided by the Company Shareholders' Meeting.

For detailed information on the fees paid for any reason and in any form to the individual members of the Board of Directors, including fees paid by subsidiaries, see the specific table inserted in the Explanatory Notes to the Financial Statements, available on the Company website <http://www.gruppo24ore.ilsole24ore.com>, in the Investors section.

2. COMMITTEES

2.1 Compensation Committee (art. 7 of the Corporate Governance Code)

On 20 August 2007, the Board of Directors set up a Compensation Committee with the following

duties:

- submit to the Board of Directors proposals for the remuneration of the Chief Executive Officer and other Directors holding special positions, so as to ensure alignment with the creation of value for shareholders in the medium/long term, monitoring the application of the decisions adopted by the Board itself;
- periodically assess the criteria adopted for the remuneration of managers with strategic responsibilities, ensure their application based on the information supplied by the Chief Executive Officer and make general recommendations to the Board of Directors on the subject, with particular reference to the adoption of any stock option plans;
- monitor the application of the decisions taken by the competent bodies and the business policies on top management remuneration;
- prepare and submit to the Board of Directors and monitor the application of incentive schemes (including shareholding plans) in favour of management, understood to mean instruments designed to attract and motivate resources of an adequate level and experience, developing a sense of belonging and ensuring constant pressure on the creation of value in time.

The Committee's activities are governed by specific Regulations approved by the Board on 20 August 2007. These Regulations are available on the Company's website at the address <http://www.gruppo24ore.ilsole24ore.com> in the Governance section. The Board of Directors will amend the Remuneration Committee's powers to bring them into line with the new recommendations set forth under art. 7 of the Code during financial year 2011.

In particular, the Committee has monitored the subject of the remuneration of the Chief Executive Officer and Senior Executives with strategic responsibilities.

The Remuneration Committee is composed of three non-executive directors, one of whom performs the duties of Chairman, and two independent directors, who satisfy the requirements of independence indicated by the Corporate Governance Code.

Diana Bracco was appointed Chairman of the Compensation Committee by the Board of Directors on 15 April 2010.

The two independent directors appointed by the Board of Directors on 15 April 2010 are Francesco Caio and Senator Mario D'Urso.

The Committee meets frequently enough to properly perform its functions; generally speaking, the Committee meets before the Board of Directors meetings that discuss matters falling within the Committee's competence. The number of meetings held by the Compensation Committee, and the attendance of individual members, is shown in the table below:

Members	No. Meetings	No. of meetings attended
Diana Bracco	3	3
Francesco Caio ⁽¹⁾	3	1
Mario D'Urso ⁽¹⁾	3	2
Francesco Profumo ⁽²⁾	1	1
Marco Salomoni ⁽²⁾	1	-

⁽¹⁾ Director appointed for the first time by the shareholders' meeting called to approve the financial statements as at 31 December 2009 held on 14 April 2010.

⁽²⁾ Director resigned during the shareholders' meeting called to approve the financial statements as at 31 December 2009 held on 14 April 2010.

The average duration of the Committee meetings was 45 minutes.

The meetings of the Remuneration Committee were attended by the members of the Statutory Audit Committee, Human Resources Director Gianluca Perin, Administration, Finance and Control Director Giuseppe Crea, and Corporate Affairs and Extraordinary Operations Director Luigi Predieri. Pursuant to art. 3 of the Remuneration Committee's Regulation, other members of the Board of Directors, and persons whose presence may help to improve the performance of the Committee's functions, can be invited to meetings of the Committee.

Proper minutes of the Remuneration Committee meetings were duly kept.

During the financial year the Committee was able to access all the information and company functions required for the performance of its duties.

2.2 Internal Control Committee (art. 8 of the Corporate Governance Code)

On 20 August 2007, the Board of Directors resolved to set up an Internal Control Committee.

The Internal Control Committee has the task of assisting the Board of Directors, by examining, proposing and providing advice so that the main risks relating to the Company and its subsidiaries are correctly identified and adequately measured, managed and monitored.

With this in mind, the Internal Control Committee was assigned the following tasks in particular:

- assist the Board of Directors in performing the tasks required of it with regard to internal control by the Code;
- together with the Corporate Financial Reporting Manager and the auditors, assess the correct adoption of the accounting standards and their uniformity in preparing the consolidated financial statements;
- express opinions, at the request of the Chief Executive Officer, on specific aspects relating to the identification of the main business risks and the planning, execution and management of the internal control system;
- examine the work plan and the periodic reports prepared by the Internal Control Officer, as well as the activities of the manager appointed to prepare the corporate accounting documents;
- perform other tasks assigned to it by the Board of Directors;
- report to the Board of Directors, at least at the time of approval of the financial statements and closure of each quarter, on the activities conducted and on the adequacy of the internal control system.

The Committee's activities are governed by specific Regulations, in line with the Code's provisions, approved by the Board on 20 August 2007. These Regulations are available on the Company's website at the address <http://www.gruppo24ore.ilsole24ore.com> - Governance section.

With regard to the 2010 financial year, the Committee examined and approved the activity plan of the Company's Internal Control Officer, identified as the head of the Internal Audit Division, who submitted several reports on his work to the Committee. At the meeting held on 09 March 2011, the Committee also examined and approved the final figures for the activities specified in the 2010 work plan, and examined and approved the 2011 work plan submitted with the Internal Control Officer's annual report.

The Remuneration Committee is composed of three non-executive directors, one of whom performs the duties of Chairman, and two independent directors, who satisfy the requirements of independence indicated by the Corporate Governance Code.

Marino Vago was appointed Chairman of the Internal Control Committee by the Board of Directors on 15 April 2010.

The two independent directors are Sen. Mario D'Urso and Francesco Caio.

Francesco Caio has the adequate accounting and financial expertise required by the Code.

The Internal Control Committee meets frequently enough to properly perform its functions; generally speaking, the Committee meets before the Board of Directors meetings that discuss matters falling within the Committee's competence. The number of meetings held by the Internal Control Committee during the year, and the attendance of individual members, is shown below:

Members	No. Meetings	No. of meetings attended
Marino Vago	5	5
Francesco Caio ⁽²⁾	4	4
Mario D'Urso ⁽²⁾	4	4
Francesco Profumo ⁽¹⁾	1	1
Marco Salomoni ⁽¹⁾	1	1

(1) Director resigned during the shareholders' meeting called to approve the financial statements as at 31 December 2009 held on 14 April 2010.

(2) Director appointed for the first time by the shareholders' meeting called to approve the financial statements as at 31 December 2009 held on 14 April 2010.

The average duration of the Committee meetings was 1 hour 45 minutes.

Meetings of the Internal Control Committee were attended by the members of the Statutory Audit Committee, Giuseppe Crea in his capacity as Corporate Financial Reporting Manager, Internal Control Officer Massimiliano Brullo, and Committee Secretary Louis Predieri. Pursuant to art. 3 of the Internal Control Committee's Regulation, the Committee can invite other members of the Board of Directors, and persons whose presence may help to improve the performance of the Committee's functions, to the Committee meetings.

The meetings of the Internal Control Committee were duly recorded in the minutes.

During the financial year the Committee was able to access all the information and company functions required for the performance of its duties.

2.3 Nominations Committee (art. 6 of the Corporate Governance Code)

Directors are appointed according to the procedure laid down by article 22 of the Articles of Association (summarized in point 1.2 above), which provides that appointments shall be made based on lists submitted by shareholders, as provided for by article 147-ter, section 1, of the TUF.

The Corporate Governance Code has determined the optional nature of the Nominations Committee and has specified its duties. In view of the planned list voting system, the Company did not consider it advisable to make use of that right.

3. HANDLING CORPORATE INFORMATION AND THE INTERNAL DEALING CODE OF CONDUCT

3.1 Handling corporate information (art. 4 of the Corporate Governance Code)

The Code provides that directors and auditors are required to maintain the confidentiality of documents and information acquired in performing their tasks and to observe the procedure adopted by the Company for the internal handling and external notification of such documents and information.

To that end, on 20 August 2007 the Company adopted an internal procedure for the secure and confidential handling of confidential information. This procedure is also designed to prevent selective disclosure (i.e. circulation that may be effected first to specific persons, such as shareholders, journalists or analysts), in an untimely, incomplete or inadequate manner.

The aforesaid procedure also lays down and governs the procedure for establishing and creating the register of persons having access to confidential information laid down in article 115-*bis* of the TUF.

The Confidential Information Register was established on commencement of trading in the special Company shares on the Mercato Telematico. On 13 December 2007, the shareholder Confindustria delegated the Company to keep and update the Confidential Information Register for and on behalf of Confindustria itself.

This procedure can be viewed in the Governance section of the Company's website <http://www.gruppo24ore.ilsole24ore.com>.

3.2 Information on internal dealing

As provided for by article 114, section 7, of the TUF, and by the implementing provisions laid down by articles 152-*sexies* et seq. of the Consob Regulations approved by decision no. 11971 of 14 May 1999, as subsequently amended, the Board of Directors became acquainted with all information and conduct requirements relating to transactions conducted by significant persons and by persons closely connected therewith on Company shares or other financial instruments associated with them. In particular, the Board of Directors thought it advisable to lay down the obligation for so-called "significant persons" to abstain (persons other than shareholders having an investment of at least 10% in the Company's share capital) from conducting transactions subject to the rules on internal dealing during specific periods of the year that are particularly delicate for corporate information.

4. INTERNAL CONTROL SYSTEM

4.1 Guidelines for the internal control system

With regard to the internal control system, the Company has prepared an ad hoc system to ensure correct corporate information and adequate control over all of the Group's activities, paying particular attention to those areas considered to be most at risk.

In particular, the process of managing the internal control system should provide reasonable assurances of protection against the risks connected with pursuing the strategic business objectives and the relevant associated objectives, such as:

- effectiveness and efficiency in conducting business transactions, including the protection of company assets (operating objectives);
- reliability of financial and other information (reporting objectives);
- compliance with the laws and regulations (compliance objectives).

In this context, the internal control system aims to identify and protect the following elements associated with achieving the company objectives:

- risks of falling short of the objectives indicated above;
- assessment of impact / probability of these risks;
- procedure for protecting against current risks;
- assessment of the effectiveness of the protection in relation to the risks indicated.

The process of managing the internal control system implemented to pursue the three objectives mentioned above should also have the following main characteristics:

- promptly react to significant situations of risk, providing adequate control;
- within the scope of the company processes, guarantee an adequate level of separation between the operating and control functions, so as to prevent the occurrence of situations of conflict of interest in the tasks assigned;

- within the scope of the operating and administrative/accounting activities, guarantee the use of systems and procedures that ensure the accurate reporting of company and management events, and prepare reliable and timely data flows inside and outside the Group;
- lay down procedures for the due notification of significant risks and control errors emerging to appropriate levels of the Group, allowing the identification and timely execution of corrective measures.

The management of elements forming the internal control system is defined by means of a Risk Management Process in order to render the control system dynamic.

As provided for by the “Enterprise Risk Management” methodology, the Risk Management Process relates to the following main points:

- definition of the Group’s objectives and strategic risks: understood to form the basis for defining the operating, reporting and compliance objectives;
- identification of events that may prejudice the implementation of the strategy or the achievement of the operating, reporting and compliance objectives and, consequently, their management by the competent management;
- definition of the roles and responsibilities of the management, identifying levels of responsibility in keeping with the business organizational structures and with the characteristics of the businesses and the relevant processes;
- definition of communication levels and procedures to ensure that the internal control system is suitably conveyed to all levels of management concerned;
- monitoring of the effectiveness, efficiency and adequacy of the internal control system, as an ongoing activity (carried out during normal business activities by the competent management) and as an assurance activity (independent periodic checks performed by the Internal Audit Division).

The aforesaid types of control are supplemented by the activities performed by the Internal Audit Division, which is responsible for auditing the Group, based on annual audit plans. These activities consist in particular in identifying and measuring the main business risks, and in assessing the adequate and effective implementation of the Internal Control Systems of the Group Companies by checking that they correspond to national and international best practice in order to promote a constant improvement in the company and group processes and procedures.

During the course of the meeting on 15 March 2011, the Board of Directors approved the observations made by the Internal Control Committee and assessed the adequacy of the organizational, administrative and accounting structure of the Company and its subsidiaries resulting from the Group’s system of guidance and internal procedures adopted by the Company.

At the same time, after examining the periodic reports received from those responsible for supervising the internal control system and after hearing the Internal Control Committee, the Company thought that the risks faced by the Company, identified during the meeting, are managed and monitored for the purposes of fair, effective management of the Company.

The Board therefore considered the internal control system adopted by the Company to be adequate, effective and functional in view of its characteristics.

4.2 Executive director responsible for supervising the functions of the internal control system

On 15 April 2010 the Board of Directors assigned the office of executive director responsible for supervising the functions of the internal control system to Chief Executive Officer Donatella Treu.

The Executive director responsible for supervising the functions of the internal control system:

- implements the guidelines issued by the Board of Directors, organizing the design, implementation and management of the internal control system and constantly monitoring its overall adequacy, efficacy and efficiency;
- identifies the main enterprise risks, taking account of the characteristics of the businesses carried on by the Company and its subsidiaries, and periodically submits them for examination by the Board of Directors.

The activities of the Executive Director responsible for supervising the functions of the internal control system are supported by the Administration, Finance and Control Division.

During the year, with the support of the Administration, Finance and Control Division, the internal control system was constantly updated and developed, taking account of developments in the business of the Company and its subsidiaries, and legislative provisions. Moreover, the overall adequacy, efficacy and efficiency of the internal control system was verified with the support of the Internal Control Officer and the Internal Audit Division, on the basis of the results of planned operations performed by the latter.

Finally, with the support of the Administration, Finance and Control Division, analyses were conducted to identify and measure enterprise risks, taking account of the characteristics of the businesses carried on by the Company and its main subsidiaries. Those analyses used a methodology illustrated in the reference model “CoSo Report – Enterprise Risk Management Framework” (ERM), taking due account of the best national and international practice, in order to guarantee a complete, systematic approach. On 15 March 2011 the major corporate risks emerging from the above-mentioned analyses were illustrated to the Board of Directors.

4.3 Internal control officer

On 7 February 2008, the Board of Directors appointed Dr Massimiliano Brullo, manager of the Internal Audit, Division, as the Internal Control Officer, on proposal by the executive director responsible for supervising the functions of the internal control system and after hearing the opinion of the Internal Control Committee. The Board of Directors established the compensation of the Internal Control Officer manager, which is included in his current remuneration; it also determined that the Internal Control Officer is not responsible for any operating area where he does not report to operating area managers; on 15 March 2011 the Board of Directors also verified that the internal control officer: (i) has access to all useful information for the performance of his assignment, (ii) reports on his work to the Statutory Audit Committee, to the Internal Control Committee and to the executive director responsible for supervising the functions of the internal control system; and (iii) has the financial resources to perform his assignments, which consist in conducting the main internal control activities.

The Internal Control Officer is hierarchically independent of the heads of the operational areas, and reports directly, at least every two months, to the Director responsible for supervising the functions of the internal control system, the Internal Control Committee and the Statutory Audit Committee.

During the year the Internal Control Officer, also acting in the capacity of head of the Internal Audit Division, conducted the scheduled audits on the basis of the activity plan approved by the Internal Control Committee and the Board of Directors. The results of these operations were reported to the Chief Executive Officer, the Internal Control Committee and the Statutory Audit Committee.

On 15 March 2011, the Internal Control Officer submitted the 2011 work plan for examination and approval by the Internal Control Committee and the Board of Directors. This plan was prepared partly on the basis of evaluation of the main risks, taking account of the Company's processes. The Internal Audit Division, under the direction of the Internal Control Officer, also methodologically supported the Supervisory Body and the Director Responsible in performance of their auditing activities, in the ambit of (i) the measures implemented pursuant to Legislative Decree no. 231/2001 and (ii) the checks on the Company's administrative and accounting procedures respectively.

4.4 Corporate Financial Reporting Manager and financial disclosure process risk management and control system

4.4.1 Corporate Financial Reporting Manager

During the course of its meeting on 10 September 2007, the Board of Directors appointed Dr Giuseppe Crea as Corporate Financial Reporting Manager pursuant to article 154-bis of the TUF. Dr Giuseppe Crea currently performs the duties of Company Chief Financial Officer.

Pursuant to article 38 of the Articles, the competent body for making this appointment is the Board of Directors, after obtaining the compulsory opinion of the Statutory Audit Committee. The same provision of the Articles also provides that the Manager responsible shall have acquired at least three years' overall experience in administrative and financial matters in companies of a similar size.

The Manager responsible has been granted powers to access all necessary information to produce the accounting figures, participation in significant internal flows, approval of company procedures and participation in significant internal flows as indicated in the guidelines approved by the Board of Directors on 14 March 2008.

The Manager responsible for preparing the corporate accounting documents, as required by the applicable legislation, has prepared adequate administrative and accounting procedures for the drafting of the annual financial statements and the consolidated financial statements, and all other financial information.

The Manager Responsible, together with the Chief Executive Officer, has also certified in a specific report annexed to the annual financial statements, the consolidated financial statements and the half-yearly financial report: (i) the adequacy and actual application of the said administrative and accounting procedures during the period to which the said accounting documents relate; (ii) that the contents of the said documents comply with the International Accounting Standards applicable in the European Community pursuant to Regulation (EC) No. 1606/2002 of the European Parliament and of the Council of 19 July 2002; (iii) that the documents correspond to the entries in the books of account and provide a true and accurate picture of the assets, income and financial situation of the Company and all the companies included in the consolidation; (iv) that the Directors' Report on the annual financial statements and the consolidated financial statements contains a reliable analysis of the business trend and result, and of the situation of the Company and all the companies included in the consolidation, together with a description of the main risks and uncertainties to which they are exposed; (v) that the intermediate Directors' Report contains references to the main events occurring in the first six months of the year and their effect on the abbreviated half-year financial statements, together with a description of the main risks and uncertainties for the remaining six months of the year and information about significant transactions with related parties.

The Manager Responsible also reported to the Internal Control Committee on the adequacy and suitability of the powers and resources granted to him, confirming that he had access to all the information required to produce the accounting data and participated in the drafting of company procedures which have an impact on the formation of the annual financial statements, the consolidated financial statements and the half-yearly report, and on all other Company notices issued to the market about accounting information.

The Board of Directors established on 15 March 2011 that the said Manager holds adequate powers and resources, and ensures effective compliance with the administrative and accounting procedures introduced by him.

4.4.2 Financial disclosure risk management and control system

The financial disclosure process risk management and control system is an integral part of the Company's internal control system. Its aims are to guarantee the reliability, accuracy, and timeliness of financial disclosures.

The internal control system must guarantee the preparation of separate and consolidated account disclosures that give a fair and true view of Company operations. It must also permit the production of all documents, acts, notices and statements required under statutory and tax laws and regulations and that correspond to documental records, company books and ledger entries. The control system must also guarantee adequate and effective application of administrative and accounting procedures for the preparation of annual and interim financial statements and reports in compliance with applicable accounting standards.

The Company has defined the financial disclosure process in reference to the CoSO Report – Internal Control Integrated Framework and its objectives and components. Therefore, guidelines to application of the reference accounting standards and administrative and accounting procedures were prepared and distributed within the Company and Group subsidiaries. In compliance with the provisions of the CoSO Report and the Risk Management process adopted by the company, both the guidelines for application of the reference accounting standards and administrative and accounting procedures have been constantly updated. This is also on the basis of the results of the period audits of their adequacy and effective application.

The Corporate Financial Reporting Manager’s organization governs and coordinates the process of acquiring and auditing the earnings and financial data of the Company and its subsidiaries so that they may satisfy the information requirements for management of Group activities and public financial disclosures by the Company and Group.

The financial disclosure process is regulated by the set of rules and procedures whose fundamental aspects are defined in a Group accounting manual that defines the guidelines for financial reporting on the processes of the Company and its subsidiaries.

This Manual is constantly updated in accordance with reference accounting standards and applicable laws and regulations.

The key aspects of the Accounting Manual include the following specific procedures:

- statutory, tax and operating procedures governing the preparation of the ledger entries used to prepare market financial disclosures;
- procedures governing intercompany relationships;
- accounting treatment for application of the procedures set out at the preceding two sub-indentents;
- operating and scheduling procedures that govern the process of preparing market financial disclosures.

The Accounting Manual is completed by several updated graphic, summary illustrations of material administrative and accounting process and the risk/control matrices of significant risks, and the key controls designed to mitigate these risks.

The administrative and accounting procedures and operating instructions are prepared and constantly updated on the basis of identification and assessment of the processes of the Company and Group companies that are material to financial disclosures due to their nature and type.

In accordance with the provisions of the “Enterprise Risk Management” method, the principal risks of failing to reach financial disclosure process targets are specifically identified and assessed for these processes. The risk assessment is based both on the impact of disclosures and the likelihood that material errors be committed due to the complexity of the processes used to obtain the data or monitor potential fraud.

Controls designed to identify errors in the disclosures themselves have been defined according to the identified processes and risks and associated with the components of market financial disclosure.

These controls are broken down into two principal levels:

Company/Group:

- the organization segregates roles and duties by means of a special system of powers of attorney and delegations of authority, in combination with constant monitoring of all financial data at both in the individual company and Group levels by the Corporate Financial Reporting Manager's staff.

Process/Activity:

- preventive controls of the individual operating activities applicable to financial disclosures, such as the need for authorisations to carry out transactions, in order to prevent anomalies or frauds that might negatively impact data flow;
- reviews of final figures, such as reconciliation of accounts, which can reveal any anomalies or cases of fraud after they have occurred.

The adequacy and effective application of the overall system and at the individual procedure level are periodically audited. This audit, which is performed by dedicated units and the Internal Audit division, focuses on the actual application of key controls of administrative and accounting procedures according to a defined testing programme, in light of best international practice. The results of the testing activity are sent to the delegated body of the Company and the Corporate Financial Reporting Manager. According to changes in the organisation of the Company and its subsidiaries, and on the basis of the results of the periodic audits, programs are defined for updating and modifying the procedures and controls.

4.5 Organizational and management model.

With regard to the Legislative Decree no. 231 and amendments and additions coming into force on 8 June 2001, which introduce a specific system of liabilities borne by the company for certain types of offences, the Company has adopted specific internal rules and regulations designed to reduce the risk of offences committed in the interests and/or to the advantage of the Company. In particular, the Company's Board of Directors has approved the "Organization, Management and Control Model pursuant to Legislative Decree 231/01" (hereinafter called "the Model"), satisfying the requirements of that same Legislative Decree and drawn up based on the guidelines issued by Confindustria.

The current Model, amended in October 2009, was drafted on the basis of a detailed analysis of the Company's operations designed to identify potentially at-risk activities: on the basis of the information collected and the observations formulated, the Company has drawn up rules of conduct, principles and control methods for drafting internal procedures. On the prompting of the Supervisory Body the Company periodically - and at least once a year, and if there are regulatory and internal organization developments - updates the company analysis aimed at identifying activities potentially at risk in order to pinpoint any needs to update the Model.

The Model is composed of a general section and a specific section.

The general section contains the basic elements of the Model, indicating the field of application and the addressees of the Model, and defines the functions and powers of the Supervisory Body, specifying the information flows to be received by it. In order to guarantee the most effective application of the rules adopted, the Company has promoted the dissemination of the Model and organized training and communication courses about its contents; the Model also defines the disciplinary system, broken down according to the different types of addressees of the Model and intended to penalize non-observance of the provisions of the Model.

The Board of Directors has appointed a Supervisory Body with independent powers of initiative and control, and assigned to it the task of supervising the correct operation of and compliance with the Model, and updating it. The Supervisory Body reports continuously, and in any event submits a report at least once annually to the Board of Directors and the Statutory Audit Committee. The members of the Supervisory Body are Massimiliano Brullo (Internal Audit Manager), Marino Vago (Non-executive Director – Chairman of the Internal Control and Audit Committee) and Piergiorgio Re (independent consultant).

The specific section consists of seven sections, comprising specific control principles designed to prevent (i) offences to the detriment of the Public Administration, (ii) white-collar crime, (iii) market abuse, and (iv) homicide and injuries caused by negligence in breach of the rules on the prevention of accidents and on the protection of health and safety at work, (v) receipt of stolen goods, money laundering and re-use (use of illegally obtained money, property or profits), (vi) computer crime and (vii) copyright infringement committed by directors, executives, employees or independent contractors of the Company. A further section has been added, dealing with offences whose risk of commission was considered remote, and only abstractly, not concretely feasible: these include the offences of counterfeiting money, other legal tender and duty stamps, offences committed for the purpose of terrorism or overthrow of democratic order, and offences against individuals.

Finally, the Model contains the Code of Conduct and all the principles and ethical/conduct rules intended to prevent the offences laid down by Legislative Decree 231/2001 from being committed.

The Model is available for viewing in the Governance section of the Company's web site: <http://www.gruppo24ore.ilsole24ore.com>.

4.6. Independent auditor

The regulatory audit for the 2007 – 2015 financial years is conducted by KPMG S.p.A., a regulatory auditing company appointed by the Ordinary Shareholders' Meeting of 30 July 2007, pursuant to the then effective article 159 of the TUF.

5. DIRECTORS' INTERESTS AND TRANSACTIONS WITH RELATED PARTIES (ART. 9 OF THE CORPORATE GOVERNANCE CODE)

With reference to transactions with related parties, in order to come into line with the provisions of art. 2391-bis of the Italian Code and the Consob Regulations containing provisions on the subject of transactions with related parties adopted with resolution no. 17221 of 12 March 2011, as subsequently amended (the "**Regulations**"), the Board of Directors approved a procedure regarding transactions with related parties (the "**Procedure**") on 11 November 2010, subject to the favourable opinion of the two independent directors in office. On 13 December 2010 the Statutory Audit Committee evaluated the compliance of said Procedure with the principles indicated in the Regulations.

The purpose of the Procedure, available on the Company's web site www.gruppo24ore.com, is to define the rules, procedures and principles aimed at ensuring the transparency and substantial and procedural correctness of the transactions with related parties established by the Company, whether directly or through subsidiaries.

Specifically with reference to the Transactions of Less Significance (as defined in the Procedure), art. 6 of the Procedure states that the body competent to decide approves the Transactions of Less Significance subject to the justified non-binding opinion of the Committee for Transactions with Related Parties on the interest of the Company in carrying out the Operation and on the expediency and substantial correctness of the relevant conditions.

If the Committee for Transactions with Related Parties deems it necessary and appropriate, it may avail itself of the advice of one or more independent experts of its choice for this purpose.

Should the Transaction lie within the authority of the Board of Directors or, if set up, of the Executive Committee, the minutes of the resolutions approving the Transaction of Less Significance must bear adequate grounds regarding the interest of the Company in carrying out the Transaction and the expediency and substantial correctness of its conditions.

In the case of Transactions of Greater Significance (as defined in the Procedure), unless it concerns Transactions falling within the authority of the Shareholders' Meeting or that must be authorised by it, art. 7 of the Procedure requires that these Transactions be approved by the Board of Directors of the Company subject to the justified non-binding opinion of the Committee for Transactions with Related Parties on the expediency and substantial correctness of the relevant conditions and subject

to receipt of a prompt, complete and adequate flow of information on the characteristics of the Transactions that the Company plans to carry out.

Specifically, the Committee for Transactions with Related Parties, if necessary through one or more of its specially appointed members, (i) must be involved in the negotiation phase and preliminary check phase by receiving a complete and prompt flow of information sent by the Legal Division; (ii) have the authority to request information and put forward comments to the appointed bodies and parties assigned to carrying out the negotiations or preliminary check.

If the Committee for Transactions with Related Parties deems it necessary and appropriate, it may avail itself of the advice of one or more independent experts of its choice for this purpose.

If the Committee for Transactions with Related Parties has provided a preliminary and justified opinion opposed to carrying out the Transaction of Greater Significance or has provided a conditional opinion or one with observations, the Board of Directors of the Company may (i) approve the Transaction of Greater Significance subject to the full acceptance of the observations put forward by the Committee for Transactions with Related Parties or, as an alternative, (ii) not approve the Transaction of Greater Significance and therefore not enforce it.

The Procedure requires that equivalent measures be adopted for the case in which there are less than three independent directors. In these cases the opinion must be unanimously given by the two unrelated independent directors in office. The Procedure calls for additional equivalent measures if there are not two independent unrelated directors in connection with a specific Transaction.

Without prejudice to the disclosure obligations set forth in articles 5 and 6 of the Regulation, the Chairman of the Committee for Transactions with Related Parties, or however another Committee representative who is also a Company Director, supplies the Board of Directors and Statutory Audit Committee with a disclosures on the execution of the Transactions of Greater and Less Significance at least every quarter.

Pursuant to art. 9 of the Procedure, the Transactions carried out by subsidiaries (as identified in the Procedure) must be subjected to the prior unbinding opinion of the Committee for Transactions with Related Parties, which issues its opinion in time to allow the competent body to authorise, review or assess the Transaction.

Pursuant to art. 11 of the Procedure, its provisions do not apply to the following Transactions:

- (a) Transactions of a Small Amount (i.e. Transactions of an amount no greater than Euro 50,000);
- (b) Transactions concerning remuneration plans based on financial instruments approved by the Shareholders' Meeting pursuant to art. 114-*bis* of the TUF and the relevant executive transactions;
- (c) resolutions on the subject of remuneration of the directors holding special offices, other than those listed in art. 13, section 1, of the Regulation, and of the managers with strategic responsibilities, provided that the requirements set out under art. 13 of the Regulation are met;
- (d) Ordinary Transactions concluded at conditions similar to those usually practised with unrelated parties for transactions of an equivalent type, extent and risk, or based on regulated tariffs or on fixed prices, or practised for parties with which the Company is legally forced to contract at a given amount, without prejudice to the obligation to fulfil provisions regarding disclosure pursuant to art. 13 of the Regulation;
- (e) Urgent transactions that do not fall within the competence of the Shareholders' Meeting or do not have to be authorised by it, subject to the introduction of a special clause in the Articles of Association, provided that the requirements set forth in art. 13 of the Regulation are met;

- (f) Transactions with or between subsidiaries, also jointly, by the Company and Transactions with associated companies of the Company should there be no Significant interests of other Related Parties of the Company in the subsidiary or associated companies that are counterparties of the Transaction.

6. THE AUDITORS (ART. 10 of the Corporate Governance Code)

6.1 Appointment

Pursuant to article 33 of the Articles, the Statutory Audit Committee is composed of three statutory auditors and two alternates. The Statutory Audit Committee exercises control over the Company administration and all the duties laid down by law and by the Articles. The term of office is laid down by law (equalling three years); auditors may be re-elected. Auditors must satisfy the requirements of integrity, independence and professionalism established by the current regulations. Without prejudice to the situations of ineligibility laid down by law, persons holding positions of administration and control to the extent equal to or exceeding the limits laid down by the current laws and regulations may not be appointed auditors and, if elected, will forfeit their position.

As provided for by article 148, section 2, of the TUF, the Auditors are appointed based on lists composed of two sections: one for candidates for the position of Statutory Auditor and the other for candidates for the position of Alternate Auditor.

The lists may be submitted by shareholders representing at least 1/50 (2%) of the shares with voting rights at the ordinary shareholders' meeting or the lesser fraction of capital required by the applicable laws and regulations. To this regard, please note that the share determined by Consob pursuant to article 144 *quater* of the Issuers' Regulations is greater (2.5%) than that set out in the article of association. Ownership of the minimum share necessary for presenting lists is determined taking into account shares registered to the shareholder on the day when the lists are filed with the Company. The relevant certification, issued according to the procedures dictated by law, can also be produced following filing, provided that it is within the deadline scheduled for publication of the lists by the Company.

The lists signed by the shareholder or shareholders presenting them are filed with the registered office at least 25 days before the date set for the meeting, and are made public by the Company at least 21 days before said date. Without prejudice to any further obligations laid down by the current regulations, the lists must be supplemented by:

- information on the identity of the shareholders submitting them, indicating the percentage of share capital held overall and a certificate of ownership of such equity interest;
- a declaration made by shareholders other than those holding a controlling shareholding or relative majority, even jointly, certifying the absence of any connection as indicated by the current laws and regulations;
- a full description of the personal and professional characteristics of the candidates and a declaration made by those candidates certifying satisfaction of the requirements laid down by the law and their acceptance of the nomination, supplemented by the list of positions of administration and control held by them in other companies.

Lists submitted in breach of the foregoing provisions are deemed as not submitted.

A shareholder may not submit and vote on more than one list, not even through an agent or a trustee. Shareholders belonging to the same group or who are members of the same shareholders' agreement on company shares may not submit and vote on more than one list, not even through an agent or a trustee. No one may be a candidate on more than one list and acceptance of nomination on several lists constitutes grounds for ineligibility.

If, on the deadline for the submission of lists, a single list has been deposited, or only lists submitted by related shareholders pursuant to the applicable provisions, lists may be submitted up to the third day following that date. In such event, the thresholds for the submission of lists are reduced to half.

Auditors are elected as follows: two statutory members and one alternate are drawn from the list obtaining the highest number of votes, based on the order in which they have been listed in the corresponding sections of the list; the other statutory member, who will act as Chairman of the Statutory Audit Committee, and the other alternative member are taken from the list obtaining the second highest number of votes, based on the order in which they have been listed in the corresponding sections of the list.

In case of a tie, the meeting goes to second ballot; if the tie concerns the minority lists, the shareholders' meeting resolves with the abstention of the shareholder or shareholders belonging to the same group having the majority (even relative) of the shares entitled to vote at the ordinary shareholders' meeting, or of the shareholders adhering to a shareholders' agreement on the subject of shares assigning the majority (even relative) of the voting rights at the same shareholders' meeting.

The candidate taken from a list submitted by shareholders who, pursuant to the current regulations, are related to the shareholders submitting the list obtaining the highest number of votes is not eligible and, if elected, will forfeit the position, and the candidate in the following list will be elected. If a shareholder connected with the shareholders who submitted or voted on the list which obtained the highest number of votes, casts his vote in favour of a minority list, the existence of the relationship will count if the vote thus cast has been decisive for the election of the Auditor.

6.2 Current members

The Statutory Audit Committee in office was appointed by the Shareholders' Meeting on 14 April 2010 and will remain in office until the approval of the financial statements for the financial year ended 31 December 2012. Its members are listed as follows:

Last Name, First name	Position
Luigi Biscozzi ⁽¹⁾	Chairman
Demetrio Minuto ⁽²⁾	Standing statutory auditor
Maurilio Fratino ⁽²⁾	Standing statutory auditor
Maria Silvani ⁽²⁾	Alternate Statutory Auditor
Fabio Fiorentino ⁽¹⁾	Alternate Statutory Auditor

⁽¹⁾ Statutory auditor taken from the minority list presented by Edizione s.r.l., holder of 2.0000006% of the share capital at the date the list is presented. The shareholder Edizione s.r.l. certified the absence of any connection with the controlling shareholder pursuant to article 144-*quinquies* of the Issuers' Regulations.

⁽²⁾ Statutory auditor taken from the majority list presented by Confindustria, holder of 67.5% of the share capital at the date the list is presented.

Information on the personal and professional characteristics of the individual members of the Statutory Audit Committee is given below.

Luigi Biscozzi: Born in Salice Salentino on 2 August 1934, he is a graduate in Economics and Business from the Bocconi University in Milan. Expert in tax law and company, corporate and tax advice for Italian and foreign companies, he has been a member of the Association of Chartered Accountants of Milan since 1966. He has been Official Auditor of Accounts since 10 March 1972, and today is a Chartered Accountant pursuant to Ministerial Decree 12 April 1995 published in Official Gazette no. 31 bis dated 21 April 1955. He was Executive and Partner of the tax sector of the auditing firm KPMG Peat Marwick of Milan from 1965 until 1976. He is founding partner of Studio Legale Tributario Biscozzi - Fantozzi (presently Studio Legale e Tributario Biscozzi Nobili).

Demetrio Minuto: born in Rome on 15 July 1948, a graduate in Economics and Business. Since 1974 he has been entered in the Register of Accountants of Rome. Since 1995 he has been entered

in the Register of Auditors. He has also been enrolled in the Register of expert witnesses at the Civil Court of Rome since 1975 and since 1993 in the Register of expert witnesses of the Criminal Court of Rome. He performed audits for about three years at PWC in Milan and Rome. He is entered on the list of practising journalists attached to the Register of Journalists of Lazio and works as a journalist on articles on tax and economic affairs with daily newspapers and journals. His professional activities are directed towards corporate and tax advice for companies or groups in which he does not hold the position of auditor (including the Il Sole 24 ORE Group), particularly on the reorganization and valuation of companies and other exceptional operations, such as mergers, demergers, transformations, transfers, liquidations and operations on share capital. Since 16 December 1993 he has been a statutory auditor of the Company.

Maurilio Fratino: born in Alba on 15 September 1952, he took his law degree from the University of Turin in 1974. He has been a member of the registry of lawyers since 1977 with the Alba order, and practises law in the Civil Law, business and corporate law sector. He is a member of the Register of Auditors and has taught Food and Wine Law at the University of Turin since 1992. He is director and statutory auditor at private companies and bodies including: Chairman of the Board of Auditors of FEDERVINI, Statutory Auditor of FEDERALIMENTARE, Director of Campari Italia S.p.A., Statutory Auditor of FinMeccanica S.p.A., Statutory Auditor of BUONITALIA S.p.A., Director of Banca Regionale Europea (UBI Group), member of the Board of Directors of Cassa Assicurativa Rischio Vita for employees of the Food Industry. He is director of the Chamber of Commerce of Cuneo representing the industry sector. He is member of the Tax and Corporate Governance Committee, the Trademark Protection and Anti-infringement Committee and the Credit Committee for the SMEs of Confindustria. In the past he has held a number of offices, such as: member of the executive committee of Federation Internationale Vins et Spiritueux; member of the 1992 Experts Committee for creating a sole market at the Prime Minister's office; Managing Director of Riccadonna International B.V. headquartered in Amsterdam; Statutory Auditor and Director of Autostrade S.p.A.

Based on the information provided by the individuals concerned, all members of the Statutory Audit Committee meet the requirements of independence laid down by the Corporate Governance Code, as confirmed by the Statutory Audit Committee at its meeting on 09 March 2011.

6.3 Meetings of the Statutory Audit Committee and presence of Auditors at meetings of the Board of Directors

The Committee met nine times in 2010. Further meetings were also held, particularly with the Company *management* and with the representatives of the independent auditor. The average duration of these meeting was 1 hour 45 minutes.

Members	Number of meetings attended	
	Statutory Audit Committee	Board of Directors
Luigi Biscozzi	7	5
Demetrio Minuto	8	7
Maurilio Fratino	5	5
Maria Silvani (1)	2	2
Alberto Uselli (1)	2	2

(1) Statutory auditor resigned during the shareholders' meeting called to approve the financial statements as at 31 December 2009 held on 14 April 2010.

Eight meetings have been scheduled for the 2011 financial year, some of them on the same dates as the meetings of the Board of Directors.

6.4 Role and duties

The Statutory Audit Committee: (i) has supervised the independence of the auditing company, in accordance with current regulations; (ii) has checked the nature and extent of the services other than accounting controls provided by the auditing company for the Company and subsidiaries; (iii) has coordinated with the internal control committee and with the Internal Audit division in performing its duties.

The Company has internal procedures whereby all other auditors and the chairman of the Board of Directors have to be informed in case one auditor has an interest in a transaction..

7. SHAREHOLDERS' MEETINGS (art. 11 of the Corporate Governance Code)

In the notice, planning and management of shareholders' meetings, special attention is paid to favour the maximum participation of shareholders, and to guarantee the highest quality of information provided for them under those circumstances, observing the constraints and procedures for circulation relating to price sensitive information.

To this regard, Legislative Decree no. 27 of 27 January 2010, which implemented Directive 2007/36/EC on shareholders' rights, considerably amended the procedures for attending shareholders' meetings and set forth new rules concerning, among others, the procedures and time frames for calling shareholders' meetings and legitimation to speak and exercise voting rights.

The Company adapted its Articles of Association to the mandatory rules dictated by Legislative Decree 27/2010 aimed at facilitating the attendance of shareholders at the shareholders' meetings with the Board of Directors resolution passed on 11 November 2010 pursuant to art. 2365, section 2, of the Italian Civil Code and art. 15 of the Articles of Association.

Pursuant to the new provisions, the Shareholders' Meetings are called by a notice published on the Company's web site (www.gruppo24ore.ilsole24ore.com) and in at least one daily newspaper having national circulation (this latter fulfilment is provided for by resolution no. 17002 of 17 August 2009 which requires a temporary system for publishing regulated information).

The notice calling shareholders' meetings must be published at least 30 days before the date of the shareholders' meeting, except for the shareholders' meetings called for (i) election of the members of the company bodies in the case a 40-day deadline is envisaged; (ii) resolving on defensive measures in the case of a public purchase offer, in the case in which the deadline is reduced to 15 days; and (iii) resolving on decreasing the share capital and appointing the liquidator, in which case the deadline is 21 days.

Those in favour of whom the Company receives communication of a qualified intermediary made based on the accounting records resulting at the end of the accounting day of the seventh day of open market prior to the date of the shareholders' meeting in first call are authorised to speak at the Shareholders' Meeting. The subsequent debit or credit entries are not significant for legitimation to exercise voting rights. The assignee that purchased the shares after said date but before the shareholders' meeting opens is considered absent, thereby being authorised - as relevant additional preconditions occur - to both cancelling the shareholders' meeting resolution and the right of withdrawal.

In order to make participation at meetings less onerous for shareholders and to facilitate exercise of the voting right, article 16 of the Articles of Association provides that shareholders' meetings may also be held with participation from close or distant locations, by audio/video connections, provided that: (i) the chairman of the meeting is able, even through his own office, to establish the identity and right of participants, regulate the conduct of the meeting, record and proclaim the results of the vote; (ii) the person appointed to draw up the minutes can adequately perceive the events of the meeting to be recorded; (iii) participants are able to take part in the discussion and simultaneous vote on the items on the agenda; (iv) the notice indicates the places where the audio/video

connections are provided by the company so that participants may meet to validly attend the meeting.

Authorised parties may be represented by written proxy, which must be notified to the Company electronically using the relevant Company web site section according to the procedures stated in the notice. In place of the original, the representative can deliver or send a copy of the proxy to the Company, even on electronic media, certifying conformity of the proxy with the original and the identity of the delegant under its responsibility. The Company places a proxy form for attending the individual Shareholders' Meetings at the disposal of the authorised parties on the Company's web site.

Unless the Articles of Association otherwise provide, the listed companies can appoint a party to which the parties authorised to exercise the voting rights can give a proxy with instructions on how to vote on the items on the agenda of the shareholders' meeting. In order further facilitate attending the Shareholders' Meetings for parties authorised thereto, the Company did not deem it necessary to statutorily rule out the appointment of the representative, so starting from the shareholders' meeting called for 19 April 2011 in first call the authorised parties can give the proxy to the Company-appointed representative. The relevant proxy form for the Company-appointed representative is available on the Company's web site.

Pursuant to the new art. 127-ter of the TUF, the shareholders can ask questions on the items on the agenda even before the Shareholders' Meeting. Answers are given to the questions received before the Shareholders' Meeting during the meeting at the latest. An answer is not due when the information requested is already available in Q&A format in the relevant section of the Company's web site.

Pursuant to article 11.C.5 of the Corporate Governance Code, the Ordinary Shareholders' Meeting held on 30 July 2007 approved the Rules on Shareholders' Meetings, intended to guarantee the organized and functional development of meetings by detailed regulation of the various stages into which they are divided, observing the fundamental right of each shareholder to request clarification on different points discussed, to express his opinion and to make proposals. In particular, the Rules on Shareholders' Meetings define the procedures intended to allow the organized and functional development of meetings, guaranteeing that each shareholder is entitled to speak on items on the agenda and also specifying several aspects (maximum duration of each speech, voting procedures and development of voting operations, etc.) intended to favour the correct conduct of the work of shareholders' meetings. The Rules on Shareholders' Meetings also confer on the Chairman the power to manage and regulate the discussion, determining the technical procedures intended to allow participants to follow the discussion and to participate in it from time to time.

The Rules on Shareholders' Meetings are available on the Company website <http://www.gruppo24ore.ilsole24ore.com>, in the Governance section.

Prof. Angelo Miglietta was appointed common representative of the special category shareholders for financial years 2008 - 2009 - 2010 during the special shareholders' meeting held on 7 November 2008. A provision for the expenses necessary for protecting the common interests of the special category shareholders was also established and amounts to € 10,000 per year.

The special category shareholders' meeting for appointing the common representative for the three-year period 2011-2013 is scheduled to be held on 26 April 2011.

8. RELATIONS WITH SHAREHOLDERS (art. 11 of the Corporate Governance Code)

The Company endeavours to establish a continuous dialogue with shareholders and investors, based on an understanding of their reciprocal roles, holding meetings with representatives of the Italian and international financial community, fully observing the current regulations on the subject and the legislation governing the handling and disclosure of confidential information. Paola Fedrigo is the head of the Investor Relations Division.

To facilitate and accelerate access to information about the issuer which is significant for its shareholders, the Company has added a section devoted to this function to its website (www.gruppo24ore.com), where useful documents published by the Company, including accounting documents, can be found.

The objective pursued is to develop a transparent and continuous dialogue with the Italian and international financial community. Therefore, events such as conference calls, for example, are organized during the year to extend and promote awareness of the Group by the market and to present its economic/financial results. The documentation prepared for these events can be viewed in the Investors section of the Company's website.

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CHAIRMAN OF THE BOARD OF DIRECTORS
(GIANCARLO CERUTTI, CAV. LAV.)

TABLE 1: INFORMATION ABOUT OWNERSHIP STRUCTURE

STRUCTURE OF SHARE CAPITAL				
	No. of shares	% of share capital	Listed (indicate markets) / unlisted	Rights and obligations
Ordinary shares	90,000,000,000	67.50%	Unlisted	Right to vote at ordinary and extraordinary meetings, right to dividend and to repayment of capital in the event of liquidation.
Special shares	43,333,213	32.50%	Listed on the MTA	Right to vote at ordinary and extraordinary meetings, preferential right to dividend and right to the apportionment of equity; limit to share ownership equal to 2% plus one share in the share capital (see paragraph 2.3 of the Report for more information)
Shares with limited voting rights	-	-	-	-
Non-voting shares	-	-	-	-
OTHER FINANCIAL INSTRUMENTS (giving the right to subscribe newly issued shares)				
	Listed (indicate markets) / unlisted	No. outstanding instruments	Category of shares to the service of conversion/exercise	No. of shares to the service of conversion/exercise
Convertible bonds	-	-	-	-
Warrants	-	-	-	-
SIGNIFICANT SHAREHOLDINGS IN COMPANY				
Declarant	Direct shareholders		% of ordinary share capital	% of capital voting rights
Ordinary Shares				
Confindustria Confederazione Generale dell'Industria Italiana	-	Confindustria Confederazione Generale dell'Industria Italiana	67.50%	67.50%
Special-category shares				
Il Sole 24 ORE		Il Sole 24 ORE	2.476%	2.476%
Edizione S.r.l.		Edizione S.r.l.	2.000%	2.000%

TABLE 2: STRUCTURE OF THE BOARD OF DIRECTORS AND COMMITTEES

<i>Board of Directors</i>											Internal Control & Audit Committee		Remun. Committee		<i>Possible Nominations Committee</i>		<i>Possible Executive Committee</i>		<i>Possible Other Committee</i>	
Position	Members	In office since	In office until the shareholders' meeting called to approve the financial statements as	List (M/m) *	Exec.	Non-exec.	Indep. pursuant to Code	Indep. pursuant to TUF	(%) **	Number of other positions ***	****	**	****	**	****	**	****	**	****	**
Chairman	Giancarlo Cerutti	14/04/2010	31/12/2012	M	X	-	-	-	100%	2	-	-	-	-	-	-	-	-	-	-
Managing Director	Donatella Treu	01/02/2010 (****)	31/12/2012	M	X	-	-	-	87.5%		-	-	-	-	-	-	-	-	-	-
Director	Luigi Abete	14/04/2010	31/12/2012	M	-	X	-	-	100%	5	-	-	-	-	-	-	-	-	-	-
Director	Diana Bracco	14/04/2010	31/12/2012	M	-	X	-	-	75%	3	-	-	X	100%	-	-	-	-	-	-
Director	Francesco Caio	14/04/2010	31/12/2012	M	-	X	X	X	75%		X	75%	X	33%	-	-	-	-	-	-
Director	Pierluigi Ceccardi	14/04/2010	31/12/2012	M	-	X	-	-	75%	2	-	-	-	-	-	-	-	-	-	-
Director	Mario D'Urso	14/04/2010	31/12/2012	m	-	X	X	X	75%		X	75%	X	67%	-	-	-	-	-	-
Director	Antonio Favrin	14/04/2010	31/12/2012	M	-	X	-	-	100%	2	-	-	-	-	-	-	-	-	-	-
Director	Giampaolo	14/04/2010	31/12/2012	M	-	X	-	-	100%		-	-	-	-	-	-	-	-	-	-

	Galli																			
Director	Piero Gnudi	14/04/2010	31/12/2012	M	-	X	-	-	50%	2	-	-	-	-	-	-	-	-	-	-
Director	Alberto Meomartini	14/04/2010	31/12/2012	M	-	X	-	-	62.5%		-	-	-	-	-	-	-	-	-	-
Director	Nicoletta Miroglio	14/04/2010	31/12/2012	M	-	X	-	-	62.5%		-	-	-	-	-	-	-	-	-	-
Director	Antonello Montante	14/04/2010	31/12/2012	M	-	X	-	-	37.5%		-	-	-	-	-	-	-	-	-	-
Director	Aurelio Regina	14/04/2010	31/12/2012	M	-	X	-	-	75%	1	-	-	-	-	-	-	-	-	-	-
Director	Marino Vago	14/04/2010	31/12/2012	M	-	X	-	-	100%	2	X	100%	-	-	-	-	-	-	-	-

-----DIRECTORS WHO LEFT OFFICE DURING THE FINANCIAL YEAR-----

	Surname Name	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
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Indicate the *quorum* required for submission of lists when last elected: 2%

No. meetings held during the year:	<i>BoD: 8</i>	<i>IC&AC: 4</i>	<i>CC: 3</i>	<i>NC: -</i>	<i>EC: -</i>	<i>Other Committee: -</i>
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-NOTES

* In this column, either “M” or “m” is indicated according to whether the member was elected from the majority list (M) or minority list (m).

** This column indicates the percentage of Board of Directors and committee meetings attended by the directors (number of meetings attended/number of meetings held during the actual period during which the specific individual held office).

***This column indicates the number of director or statutory auditor positions held by the specific individual at other companies listed on regulated markets, including foreign companies, financial companies, banks, insurance companies or large companies. A list of these companies is appended to this Report for each director, specifying whether the company in which the position was held is part of the group that is headed by or belonged to by the Issuer.

****This column shows membership by the BoD member on a committee with an “X”.

*****Director co-opted on 1 February 2010 and confirmed by the shareholders' meeting called to approved the financial statements as at 31 December 2009 held on 14 April 2010.

TABLE 3: STRUCTURE OF STATUTORY AUDITOR COMMITTEE

<i>Statutory Audit Committee</i>							
<i>Position</i>	Members	In office since	In office until the shareholders' meeting called to approve the financial statements as at	List (M/m)*	Independence according to Code	** (%)	Number of other positions ***
Chairman	Luigi Biscozzi	14/04/2010	31/12/2012	m	X	77.8%	
Statutory auditor	Demetrio Minuto	14/04/2010	31/12/2012	M	X	100%	
Statutory auditor	Maurilio Fratino	14/04/2010	31/12/2012	M	X	66.7%	
Alternate Statutory Auditor	Maria Silvani	14/04/2010	31/12/2012	M	X	22%	
Alternate Statutory Auditor	Fabio Fiorentino	14/04/2010	31/12/2012	m	X	22%	
-----STATUTORY OFFICERS WHO LEFT OFFICE DURING THE FINANCIAL YEAR-----							
	Surname	-	-	-	-	-	-
	Name						
Indicate the <i>quorum</i> required for submission of lists when last elected: 2%							

Number of meetings held during the year:9

NOTES

* In this column, either “M” or “m” is indicated according to whether the member was elected from the majority list (M) or minority list (m).

** This column indicates the percentage of Statutory Auditor Committee meetings attended by the auditors (number of meetings attended/number of meetings held during the actual period during which the specific individual held office).

*** This column indicates the number of director or statutory auditor positions held by the specific individual that are of relevance pursuant to art. 148 *bis* TUF. The complete list of offices is published by Consob on its web site pursuant to art. 144-*quinquiesdecies* of the Issuers' Regulations.