



FIERA MILANO

**FIERA MILANO SpA
REPORT ON CORPORATE GOVERNANCE AND
OWNERSHIP STRUCTURE AT 31 DECEMBER 2014**

*prepared in accordance with Article 123-bis of Legislative Decree 24 February 1998, no. 58
approved by the Board of Directors on 20 March 2015*

*Company website: www.fieramilano.it
(Investor Relations/Corporate Governance section)*

This document contains a true translation in English of the document in Italian "Relazione sul governo societario e gli assetti proprietari al 31 dicembre 2014".

However, for information about Fiera Milano reference should be made exclusively to the original document in Italian.

The Italian version of the "Relazione sul governo societario e gli assetti proprietari al 31 dicembre 2014" shall prevail upon the English version.

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Foreword

In this Report on Corporate Governance and Ownership Structure (hereinafter the **Report**), Fiera Milano SpA provides an account of its corporate governance system, information regarding the ownership structure, and disclosure on its compliance with the recommendations under the principles and application criteria of the Borsa Italiana Self-regulatory Code of Listed Companies, as amended in December 2011 and subsequently in July 2014 (hereinafter the **Self-regulatory Code**). The term corporate governance is used to identify the body of rules and procedures adopted for the management and control of joint stock companies. An effective and efficient corporate organisation model must be capable of managing, using the correct means, the business risks and potential conflicts of interest that can arise between Directors and shareholders and between shareholders with a controlling interest and those with a non-controlling interest in the Company. These aspects are of even greater significance in listed companies with a wide shareholder base.

The indications given by Borsa Italiana in the V edition of the *Format for the Report on Corporate Governance and Ownership Structure*, published in January 2015, have been taken into account in the preparation of this Report.

1. Description of the Issuer

Fiera Milano SpA, an issuer of shares listed on the regulated market and specifically in the Segment for companies that meet the highest requirements of Borsa Italiana SpA (the STAR segment), uses a corporate governance system that meets the requirements of enacted laws, existing regulations and those of the Borsa Italiana Self-regulatory Code.

The Company uses a traditional administration and control model based on the existence of a Board of Directors and a Board of Statutory Auditors.

As part of the initiatives to maximise shareholder value and guarantee the transparency of management actions, Fiera Milano SpA has drawn up concise and clear rules of conduct, governing both its organisational structure and its third-party relations, in particular those with shareholders, which conform to national and international best practice.

2. Disclosure on the ownership structure

Share capital

The issued and fully paid-up share capital is Euro 42,147,437.00 (forty-two million one hundred and forty-seven thousand four hundred and thirty-seven/00) made up of no. 42,147,437 (forty-two million one hundred and forty-seven thousand four hundred and thirty-seven) registered shares each of nominal value Euro 1.00 (one).

The shares are indivisible and each carries one voting right except in the case of treasury shares held, either directly or indirectly, by the Company that do not have this right.

The Company has issued no other financial instruments with rights to subscribe to newly issued shares.

At 31 December 2014, the Company had no share-based incentive plans involving an increase, even without payment, of the share capital.

Restrictions on the transfer of shares

There are no restrictions on the transfer of shares.

Significant shareholdings

According to the shareholders' register and communications received pursuant to Article 120 of Legislative Decree of 24 February 1998, no. 58 (the Consolidated Finance Act), the shareholders that at 31 December 2014 held, directly or indirectly, shares equal to 2% or more of the share capital were as follows:

Declarant	Direct shareholder	Nb. of shares	% of ordinary share capital	% of share capital admitted to vote
Fondazione E.A.Fiera Internazionale di Milano	Fondazione E.A.Fiera Internazionale di Milano	26,157,609	62.062	62.999
	Total	26,157,609	62.062	62.999
Camera di Commercio Industria Artigianato e Agricoltura di Milano	Parcam srl	2,873,169	6.817	6.920
	Camera di Commercio Industria Artigianato e Agricoltura di Milano	1	0.000	0.000
	Total	2,873,170	6.817	6.920
Fondazione Cariplo	Fondazione Cariplo	1,020,529	2.421	2.458
	Total	1,020,529	2.421	2.458
Banca Popolare di Milano SCRL	Banca Popolare di Milano	1,065,747	2.529	2.567
	Banca Akros	89,250	0.212	0.215
	Total	1,154,997	2.741	2.782

Shares with special rights

No shares with special rights have been issued.

Employee stock options: mechanism for exercising rights

At 31 December 2014, there were no employee stock option plans.

Restrictions on voting rights

There are no restrictions on voting rights.

Shareholder agreements

There are no shareholder agreements as under Article 122 of the Consolidated Finance Act.

Change of control clauses and provisions in the articles of association regarding tender offers

There are no changes to control clauses pursuant to Article 123-*bis*, paragraph 1, letter h) of the Consolidated Finance Act.

As regards tender offers, the Company's Articles of Association meet current regulations on the passivity rule and do not provide for the application of the neutralisation measures under Article 104-*bis*, paragraphs 2 and 3 of the Consolidated Finance Act.

Mandates to increase the share capital and authorisations for the acquisition of treasury shares

In the 2014 financial year there was no mandate to increase the share capital as provided under Article 2443 of the Italian Civil Code, or any authorisation from the Shareholders' Meeting to acquire treasury shares under Article 2357 and following of the Italian Civil Code.

At 31 December 2014, Fiera Milano SpA held directly no. 626,758 treasury shares, equal to 1.49% of the share capital. These treasury shares were acquired prior to the 2014 financial year on the authorisations given the Board in previous financial years.

Direction and coordination

As approved by the General Council of its controlling shareholder Fondazione Ente Autonomo Fiera Internazionale di Milano on 26 July 2004, Fiera Milano SpA, given its organisational and management autonomy, is not subject to any direction or coordination, pursuant to Article 2497 and following of the Italian Civil Code, by its controlling company.

However, any presumption of direction and coordination is negated by the fact that Fondazione Ente Autonomo Fiera Internazionale di Milano exerts no decisive influence on the long-term strategic plans or annual budgets of Fiera Milano SpA or on its investment decisions, nor does it determine its policies regarding the acquisition of goods and services on the market, or coordinates any business initiative or activity in the sectors in which the Company and its subsidiaries operate.

3. Compliance

Fiera Milano SpA adheres to the Self-regulatory Code, approved by the Corporate Governance Committee of Borsa Italiana in March 2006 and as modified in December 2011 and subsequently in July 2014.

The Self-regulatory Code is publicly available on the website of the Committee for Corporate Governance at <http://www.borsaitaliana.it/comitato-corporategovernance/codice/2014clean.pdf>

The governance structure of Fiera Milano SpA is not affected by the legal provisions of countries other than Italy.

4. Board of Directors

The Board of Directors has a central role in the Company organisation and is responsible for its activities and strategic and operating guidelines, as well as for verifying that the necessary controls exist to monitor Company and Group performance.

Appointments and replacements

As required by law and by the Company's Articles of Association, the appointment of members of the Board of Directors is made from lists presented by shareholders who, either alone or in association with other shareholders, hold shares with voting rights that represent at least 2.5% of the shares with voting rights in ordinary shareholders' meetings, as required by both the Company's Articles of Association and by Consob Resolution no. 19109 of 28/01/2015. The lists must be deposited at the registered office of the Company at least twenty-five days preceding the date fixed for the first convocation of the shareholders' meeting and must be made publicly available at least twenty-one days prior to this date in compliance with enacted regulations.

Ownership of the minimum amount required to present lists is based on the shares that are registered to the shareholder on the day on which the lists are deposited with the Company. To

prove ownership of the minimum number of shares required to present lists, the Shareholders must provide within the time for the publication of the lists by the Company the relative certification released in accordance with law by authorised intermediaries.

Each list must be accompanied, within the aforementioned time, by (i) information concerning the identity of the shareholders that have presented the list and the percentage of the company held by these shareholders, (ii) statements in which each candidate agrees to be a candidate and declares that there is no cause that would make them ineligible or incompatible and that they meet the necessary requirements under enacted law to be appointed, including any requirements of independence as established by the Statutory Auditors and as required by law and by the Self-regulatory Code (iii) a *curriculum vitae* of the business career of each candidate, indicating directorships and executive positions held.

It is also a legal requirement that at least one Director be appointed from the list with the greatest number of votes presented by minority shareholders and which is in no way connected, even indirectly, with the shareholders who presented, or joined together to present, or voted for the list that received the highest number of votes.

Under the Company's Articles of Association at least one of the members of the Board of Directors, or two members if the Board is made up of more than seven members, must be considered independent by the Statutory Auditors in accordance with enacted law (Article 148 of the Consolidated Finance Act).

Furthermore, Fiera Milano SpA, as a company belonging to the STAR segment of the Italian Equity Market, is required to have two independent Directors in a Board of Directors of up to eight members and three independent Directors in a Board of Directors of between nine and a maximum of fourteen members. The Self-regulatory Code also recommends that an adequate number of independent Directors are appointed to the Board of Directors by applying the principles and criteria under articles 2 and 3 of the aforementioned Self-regulatory Code.

As indicated in the Self-regulatory Code, a Director of a listed company is not normally considered independent if:

- a) the Director, directly or indirectly, even through a subsidiary, fiduciary company or intermediary person, controls the issuer or is capable of exercising significant influence over it, or is part of a shareholding agreement through which one or more parties can exercise control or have a significant influence over the issuer;
- b) a Director has, or has held in the previous three financial years, a significant role (Chairman, Executive Director, executive with strategic responsibilities) in the issuer or in one of its subsidiaries of strategic importance or in a company which is subject to common control by the Company, or in a company or entity which, also with others through a shareholding agreement, controls the issuer or is capable of exercising significant influence over it;
- c) in the preceding financial year, the Director has or has had, directly or indirectly, a significant business, financial or professional relationship with:
 - the issuer, one of its subsidiaries or any of its top management;
 - someone who, also together with others through a shareholding agreement, controls the issuer, or – if a company or entity – with any of the relevant top management;or who is, or in the last three financial years has been, an employee of any of the aforementioned entities;
- d) a Director receives or has received in the previous three financial years from the issuer, or one of its subsidiaries or from a parent company, significant additional remuneration to the compensation agreed for a non-executive Director of the issuer or to the remuneration for

being a member of a committee recommended in the Self-regulatory Code, including any incentive plans linked to company performance, including those that are share-based;

- e) a Director has been a Director of the issuer for more than nine of the previous twelve years;
- f) a Director is an executive Director in another company in which an executive Director of the issuer is also a Director;
- g) a Director is a shareholder or Director of a company or entity belonging to the group of the company that is appointed as the legal auditor to the issuer;
- h) a Director is closely related to a person in any of the situations described above.

The indications of the Self-regulatory Code regarding the requisite independence of Directors have been adopted in full by companies in the STAR segment as part of the enacted Rules for Markets Organised and Managed by Borsa Italiana SpA.

On 9 July 2012, the Board of Directors of Fiera Milano SpA approved the amendments, under the procedures described in Article 17.1, paragraph (iv) of the Company's Articles of Association and pursuant to Article 2365, paragraph 2, of the Italian Civil Code, to the Company's Articles of Association so that they met the provisions of Law no. 120 of 12 July 2011.

The amendments to the Company's Articles of Association affected Articles 14 ("The Board of Directors") and 20 ("The Board of Statutory Auditors"). These were altered to meet the new relevant legal (Article 147-*ter*, paragraph 1 *ter*, of the Consolidated Finance Act) and regulatory requirements (Article 144-*undecies.1* of the Consob Rules no. 11971/99 and subsequent amendments and supplements).

In particular, the rewording of Article 14, "The Board of Directors", required the insertion of:

- the principle whereby the Board of Directors must be appointed using criteria that ensures a gender balance and guarantees that the less represented gender is at least one third of the appointees;
- methods of compiling the lists and of making replacements during the mandate so as to ensure that the requirements for gender balance are respected;
- provisions for mechanisms whereby, should the elected corporate body not meet the provisions of enacted law regarding gender balance, a necessary number of those elected last on the list that obtained most votes must step down to ensure that the requirements are met and must be replaced by the first candidates that failed to be elected but who belong to the less represented gender.

It should be noted that the Company has not taken advantage of the transitional period which permits one fifth of the members of the Board of Directors and of the Board of Statutory Auditors to be from the less represented gender on the first reappointment of these corporate bodies following introduction of the law.

The amendments to the Statutes will be applied from the first meeting of the newly appointed Board of Directors and the Board of Statutory Auditors following the expiry of the mandate of the current Board of Directors.

It should be noted that, for completeness of information, the full Company Articles of Association is available on the Company website www.fieramilano.it in the section *Investor Relations/Corporate Governance/Articles of Association*.

Succession plans

To date, the Company has not considered it necessary to have a formal plan for the succession of the Chief Executive Officer as the professional characteristics present within the Board of Directors and in the present management should ensure continuity in the operational management of the Company.

Composition

The Board of Directors appointed at the Shareholders' Meeting of 27 April 2012, from a single list presented by the majority Shareholder, Fondazione Ente Autonomo Fiera Internazionale di Milano, will hold office until approval of the Financial Statements at 31 December 2014 (Table 1 attached to the present Report gives the structure of the Board). The Board is composed of nine Directors. Below is given a brief *curriculum vitae* of each Director with his/her main personal and professional attributes, as well as a list of appointments held.

- **Michele Perini**, born on 12 March 1952 in Milan; Chairman (**non-executive Director**).
Chairman of Fiera Milano SpA since 27 October 2003.
A graduate in Economics & Commerce from the Bocconi University, he is Chairman of SAGSA Spa, a company operating in the office furniture sector. Among other positions that he holds, he is Chairman of Museimpresa, a Board Director of Mediaset SpA and a member of the executive council of Siam 1838, a company for the Encouragement of Arts and Trades, and of ISPI (Istituto per gli Studi di Politica Internazionale). From 2001 and 2005, he was the Chairman of Assolombarda where, from 1997 – 2001, he was Chairman of the Small Enterprise segment and where he remains a member of the Board and of the Committee. Until June 2010 he was a Board and Committee member of Confindustria. Michele Perini is also part of the Managing Board of Telefono Azzurro.

- **Enrico Pazzali**, born on 23 May 1964 in Milan; Chief Executive Officer (**executive Director**).
Chief Executive Officer of Fiera Milano SpA since 16 April 2009.
A graduate in Business Economics from the Bocconi University in Milan and specialised in Employment Management, from 1990 to 1995 he held marketing positions at Bull HN Information System Italia; from 1995 to 1997 he has been responsible for the development and implementation of automation at Shell Italia SpA and, from 1997 to 2000, he has been Sales Manager for Italy for Compaq SpA. Subsequently and until 2002, he was corporate sales director for North-West Italy for Omnitel-Vodafone SpA. From 2002-2005, he has been Strategic Marketing and Business Development Director and Group Chief Marketing Officer for Poste Italiane SpA. From 2005 to 2006, he has been the Central Director of Organisation and Personnel and Resources and Information Systems for the Lombardy Region and, from July 2008 to September 2009, he has been a member of the Board of Directors of Sogei SpA. Since April 2009, he has been the Chief Executive Officer of Fiera Milano SpA having been its Director General from January 2007. From May 2012 to August 2013 he was a Director of Nolostand SpA, a Fiera Milano Group company.

- **Attilio Fontana**, born on 28 March 1952 in Varese; Deputy Vice Chairman and Independent Director under Article 148, paragraph 3, of Legislative Decree 58/98 and under the Self-regulatory Code (**independent non-executive Director**).
Deputy Vice Chairman of Fiera Milano SpA since April 2009.
A graduate in law from the State University of Milan, in 1980 he set up his own company and since 1988 has been a lawyer entitled to represent clients in the Court of Cassation. From 1983 to 1989 he has been an honorary district judge. He was a member of the Advocates and Procurators Council of Varese for three mandates and is registered in the Register of Auditors

of Accounts. Since 1995 he has held many appointments and, since 2006, has been the Mayor of Varese; he is currently Vice Chairman of the National Committee of ANCI.

- **Renato Borghi**, born on 30 October 1948 in Milan; Deputy Chairman and Independent Director under Article 148, paragraph 3, of Legislative Decree 58/98 and under the Self-regulatory Code (**independent non-executive Director**).

A Board member of Fiera Milano SpA, since 2006 and, since February 2010, also its Deputy Chairman.

He is an entrepreneur in clothes retailing. Currently he holds the following positions: Vice Chairman of Confcommercio Nazionale; Deputy Vice Chairman of Confcommercio Lombardia; Chairman of Federazione Moda Italia and regional Chairman of Federmodamilano, both entities that represent retail and wholesale companies of textiles, garments, furnishings, shoes, leather goods, travel goods and accessories; Deputy Chairman of Fondo Mario Negri – an insurance fund for company executives in marketing, shipping and transport; Chairman of 50&PIU'.

- **Roberto Baitieri**, born on 22 November 1966 in Sondrio; Independent Director under Article 148, paragraph 3, of Legislative Decree 58/98 and under the Self-regulatory Code (**independent non-executive Director**).

A Board member of Fiera Milano SpA since April 2009.

In 2000, he began his business career in the property and tourism sectors. From 2002 to 2003, he has been a Board Director of the 2005 Lombardy Foundation Committee. From 2003 to 2010, he has been a founding partner and Chairman of the Board of Directors of the Lombardy Club Foundation. Since 2007, he has been Vice Chairman of the Sondrio Società di Sviluppo Locale SpA. He has been the Chairman of Nolostand SpA, part of the Fiera Milano Group, since June 2014.

- **Pier Andrea Chevallard**, born on 24 May 1951 in Turin; Independent Director under Article 148, paragraph 3, of Legislative Decree 58/98 and under the Self-regulatory Code (**independent non-executive Director**).

He graduated in Political Sciences from the University of Turin. Since 1 January 2015, he holds the office of General Director of Tecnoinvestimenti SpA. He is also Chief Executive Officer of Parcam Srl and Tecno Holding SpA, Chairman of the Board of Statutory Auditors of Infocamere and a Director of Promos Internazionalizzazione e Marketing Territoriale/Azienda Speciale CCIAA Milano.

- **Davide Croff**, born in Venice on 1 October 1947; Independent Director under Article 148, paragraph 3, of Legislative Decree 58/98 and under the Self-regulatory Code (**independent non-executive Director**).

A Board member of Fiera Milano SpA since October 2012.

He graduated in Economics and Commerce from the Ca' Foscari University in Venice; a recipient of numerous academic grants, which included grants from the Consiglio Nazionale delle Ricerche, the British Council and the "Stringher-Mortara" scholarship from the Bank of Italy, he specialised in Economics at Pembroke College, University of Oxford.

From 1971 till 1972 he held the post of Faculty Assistant at the Institute of Political Economy in the Political Sciences faculty of the University of Padua.

From 1974 till 1979 he worked in the Money Markets research department of the Bank of Italy.

Between 1979 and 1989, he held various positions within the Fiat Group: Manager for International Financial Affairs of Fiat SpA., International Treasury manager of Fiat SpA, Finance Director of Fiat Auto SpA, and Financial Affairs Director for the Fiat Group.

From 1989 until 14 June 2003, he worked at Banca Nazionale del Lavoro, first as Vice Managing Director and then, from November 1990, as Chief Executive Officer.

From January 2004 until December 2007, he was Chairman of the Fondazione La Biennale di Venezia.

Since 2000, in addition to the positions currently held, he also held various other positions including as a member of the Board of Governors of the Querini Stampalia Foundation of Venice and a Board Director of Terna SpA. and of Snam Rete Gas SpA. From 2006 to 2013 he was a senior advisor to TPG. Currently he holds the following positions:

- Chairman of Permasteelisa SpA – Vittorio Veneto (TV);
- Chairman of the Italian Advisory Board of Roland Berger;
- Chairman of the Ugo and Olga Levi Foundation – Venice;
- Member of the Management Board of Banca Popolare di Milano;
- Member of the Board of Directors of: Studio Gualtieri & Associati;
- Venice Newport Container and Logistics SpA;
- Istituto Europeo di Oncologia;
- Fiera Milano SpA;
- Genextra SpA;
- Worldex (China) Exhibition & Promotion Ltd;
- Gala SpA.

He is also a Member of The Council for the United States and Italy, of the Comitato Leonardo and of the Giunta Assonime.

- **Giampietro Omati**, born on 15 October 1940 in Saronno; Independent Director under the Self-regulatory Code (**independent non-executive Director**).

Since 21 May 2014 he has been a member of the Board of Directors of CTS – Confartigianato Trasporti Servizi. From 21 December 2013 he has been a member of the Supervisory Board of Banca Popolare di Milano and from 5 August 2013 the Chairman of Fiera Milano Media SpA. He has been a member of the Board of Directors of Fiera Milano SpA since April 2009. He has been a Board member of CIPA Fiera Milano since January 2010. From 19 January 2011 until 8 May 2013, he was Chairman of Impresa Sviluppo Srl. From 8 April 2010 until 24 December 2013, he was a Board member of Banca Popolare Lecchese (Banca Etruria Group). He has been a Board member of "Artquick Srl" – Turin since 18 February 2010; Coordinator of the Activities of the Secretary General of Confartigianato Nazionale since February 2005; Board member of Confeventi Srl – Bologna since 9 May 2007. From 16 April 2007 until 5 August 2013, he was a Board member of Fiera Milano Congressi. He has been a Member of the Executive Council of the Consiglio Direttivo Nazionale A.N.CO.S. – Associazione Nazionale Comunità Sport since 10 November 2006. He was a Board member of "Napoli Orientale SpA". He was a member of the management board of Società Infrastrutture Lombarde SpA from October 2004 to June 2010; Board member of Società Edizioni Fiera Milano from November 2003 to 16 April 2007; Chairman and Chief Executive Officer of Campione d'Italia SpA from 1988 to 1992; Chairman of the Regional Management Committee for Lecco from 1982 to 1990; Board member of Banca del Monte di Lombardia (now Banca Europea) from 1987 to 1991; Member of the Regional Management Committee for Lecco from 1975 to 1982. He has also been Chairman of the Auditors College of the Ente Provinciale del Turismo of Como and, from 1974-1979 was part of the Chairman's office of the Lombardy Region under the Chairman, Mr Golfari.

- **Romeo Robiglio**, born on 20 January 1931 at Montechiaro d'Acqui (AL); Independent Director under Article 148, paragraph 3, of Legislative Decree 58/98 (**independent non-executive Director**).

A Board member of Fiera Milano SpA since October 2003.

In 1976 he was appointed Assistant Director of the Milan headquarters of Credito Italiano and from 1978-2004 was the Chief Executive Officer of "Gruppo Siti Novara", a multinational company operating in the mechanical engineering sector. He has been a Director and member of the Executive Committee of Fondazione Cariplo (1998-2001) and of Intesa Asset Management (2000-2003). From 2001-2004 he was Vice Chairman of the Industrial Association of Novara and, since 2004, has been a board Director of Esatri SpA, a company belonging to the Intesa San Paolo group. He is currently a Board member of Sirefid SpA; Equiter SpA; Banca Fideuram SpA and Cassa di Risparmio di Città di Castello, all companies belonging to the Intesa – Intesa San Paolo Group.

On 29 October 2012, the Board of Directors co-opted the Director Davide Croff to replace Mr Motterlini who resigned.

Subsequently the Shareholders' Meeting of 23 April 2013 approved the appointment of Mr Davide Croff as a Director until the date the Financial Statements at 31 December 2014 are approved.

With the exception of the Chief Executive Officer, all other members of the Board are non-executive Directors since none have any management responsibility.

For information on any positions as Director or Statutory Auditor held by members of the Board of Directors in other companies listed on regulated markets, also foreign, or in financial, banking or insurance companies or companies of significant size, please refer to the section above and Table 1 of the present Report.

It should be noted that the number of independent Directors shown above exceeds the minimum number compared to the total number of Board Directors that is required by enacted law and regulations.

The Board of Directors verified the requisite independence of the Directors at the board meeting on 12 May 2014. On the aforementioned date, the Board of Statutory Auditors, as part of their duties under the law, verified that the Board of Directors had correctly applied the criteria and procedures for ascertaining and evaluating the independence of its own members.

The Chairman of the Board of Directors and the Chairman of the Board of Statutory Auditors therefore certified the existence of the requisite independence of the Directors on the basis of declarations given to this end in accordance with enacted law.

Profiles of the members of the Board of Directors may be found on the Company website www.fieramilano.it under *Investor Relations/Corporate Governance/Corporate Bodies*.

Role of the Board of Directors and Delegated Bodies

The Board of Directors is invested with the widest powers for the ordinary and extraordinary management of the Company; specifically, it may take any action deemed appropriate or useful to achieve the Company objectives, except for those which, pursuant to law, are reserved for the Shareholders' Meeting.

In addition to those responsibilities that by law are the exclusive preserve of the Board of Directors, the Company's Articles of Association specifically assign it the following responsibilities:

- (a) the purchase, underwriting and transfer on its own behalf of shares, shareholdings or investments in other companies, including newly incorporated companies, and the transfer of option rights, except for normal treasury investment operations;
- (b) the conferral of fixed or other assets to other companies in the process of incorporation or already incorporated;
- (c) any form of loan taken out by the Company which exceeds 30% of shareholders' funds;
- (d) taking out mortgages, charges or other guarantee rights of any type on all or a significant part of the bonds, property or assets of the Company;
- (e) approval of the budget;
- (f) the granting of bank guarantees from the Company to third-parties;
- (g) the stipulation of property-related contracts, with the exception of property rental contracts for a period not exceeding six years, agreed as part of the Company business;
- (h) the acquisition, divestment, creation, lease and contractual licensing agreements for patents, brands, models, internet sites and/or domains, satellite or cable television channels, editorial publications, royalties and similar and any intellectual property rights in general that are connected to the corporate objectives of the Company;
- (i) the appointment, use of consultants, and authorisation of services not covered by the budget and exceeding Euro100,000 to third-parties that are in no way connected to the Board;
- (j) the appointment and removal of the Manager responsible for preparing the company accounts.

The Board of Directors is also responsible for the following:

- (k) any merger decision in circumstances pursuant to Articles 2505 and 2505-*bis* of the Italian Civil Code;
- (l) the setting up and closure of branch offices;
- (m) the reduction of the share capital in cases of shareholder rescission;
- (n) amending the Company's Articles of Association so that they adhere to the law;
- (o) the transfer of the registered office to another location in the same Province.

The Chief Executive Officer is vested with all the powers necessary for the ordinary and extraordinary management of the Company, except for those matters that are the exclusive preserve of the Board of Directors.

The Chief Executive Officer provides the Board of Directors, at least quarterly, with adequate information on the general progress of operations, on the foreseeable outlook for the business, as well as on the more significant transactions carried out by the Company and its subsidiaries.

The Directors notify the Board of Statutory Auditors in a timely manner in writing, and at least quarterly at the meeting of the Board of Directors, of any material economic, financial or equity-related transactions carried out by the Company and its subsidiaries so that the Board of Statutory Auditors of Fiera Milano SpA may evaluate if the transactions approved and implemented conform to the law and to the Company's Articles of Association and are not manifestly imprudent, risky or go against any resolutions of the Shareholders' Meeting or could compromise the integrity of the Company shareholders' equity.

As regards the provisions of point 1.C.3 of the Self-regulatory Code concerning an opinion of the Board about the maximum number of appointees as Directors or Statutory Auditors in listed companies, financial institutions, banks, insurance companies or companies of a significant size, it should be noted that the current Articles of Association of the Company do not stipulate a

maximum number of directors. However, the members of the Board of Directors have undertaken to guarantee that they will carry out their duties effectively and dedicate to them the requisite time. This is confirmed by the significant number of Board meetings held during the 2014 financial year and the high level of attendance at these meetings.

The meetings of the Board of Directors are usually scheduled according to a timetable approved at the start of the year in order to ensure maximum attendance at the meetings. The corporate calendar is available on the Company website in the *Investor Relations/Financial calendar* section.

During the financial year to 31 December 2014, the Board of Directors met nineteen times with a high attendance rate for all Directors (the number of meetings attended by each member of the Board of Directors is shown in Table 1). The average duration of the board meetings was approximately two hours. Eight Board Meetings have been held to date in the current financial year.

Group executives, who are responsible for the corporate activities pertaining to matters that are on the agenda, are invited to attend board meetings to supply further information regarding the matters under discussion by the Board of Directors.

On 27 April 2012, the Board of Directors appointed a Secretary to the Board who is the Central Director of Corporate Affairs of Fiera Milano SpA.

The Chairman is supported by the Secretary in ensuring the timely delivery and completeness of the documentation supplied ahead of the board meetings and in maintaining the confidentiality of the data and information given.

Board Directors and Statutory Auditors receive the documentation and information sufficiently in advance of the date of the Board meeting to allow them to speak knowledgeably on the arguments submitted to them for discussion and approval.

The Board of Directors decided that the appropriate advance period for documentation given to Directors and Statutory Auditors ahead of board meetings was: seven days prior to the date of the meeting for any documentation regarding financial statements, budget and business plan except when there are valid reasons otherwise.

In 2014, the Board of Directors evaluated the organisational and accounting systems of the Company with particular reference to the internal control and risk management system. The Board of Directors also evaluated and identified the nature and level of risk compatible with the strategic objectives of the Company and also general management performance, particularly as regarded the information received by the Chief Executive Officer, and periodically compared the results achieved with the targets. The procedures and the methods that support the evaluations made by the Board of Directors are described in the section "Internal Control and Risk Management System".

The Chairman of the Board of Directors

The Chairman directs the proceedings of the Shareholders' Meetings, verifies the correct constitution of the meeting, checks the identity and the legitimate right of attendees, oversees its conduct, including the rules governing the order and duration of any intervention, organises the voting system and the counting of votes, and scrutinises the results of any vote. The Chairman also has the duty to supervise national and international institutional relations, corporate communication, to coordinate strategies and the internal audit, and to verify that decisions taken by the Board of Directors are implemented, whilst assisting the Chief Executive Officer in the internationalisation of the Group.

Induction program

The Chairman and the Chief Executive Officer, since the time of their appointments have taken care to inform the Board of Directors of the market conditions in the exhibition sector. They ensured that the Directors had adequate knowledge of the sector in which Fiera Milano SpA operates, company matters and performance, as well as the reference legal framework. In particular, the Board of Directors was made aware of the national and international environment for exhibitions with particular reference to the Brazilian, Turkish, Chinese, South African, Indian, Russian and American markets.

Self-appraisal by the Board of Directors

The Board of Directors carried out a self-appraisal of the functioning, composition and size of the Board of Directors and of its committees in the 2014 financial year.

The self-appraisal, instigated by the Chairman of the Board of Directors, was made by each Director completing a questionnaire; the results were revealed during the Board Meeting held on 30 January 2015.

The questions were designed to analyse (i) the size and composition of the Board of Directors with reference to the nature and professional experience of the Directors; (ii) its *modus operandi*, (iii) the composition and roles of the internal committees of the Board; (iv) the knowledge of the legal framework of the sector and the participation of Directors at meetings and in the decision-making process.

This questionnaire was completed by each Director and the results were aggregated and presented to the Board of Directors in an anonymous form.

The results of the questionnaire showed that the Board of Directors believes that the composition and *modus operandi* of the board meet the organisational and administrative requirements of the Company and confirmed the diversified professional experience of the Directors who contribute their capabilities and expertise to the decision making process; there was also a positive opinion regarding the frequency of the meetings. The appraisal of the internal committees was also positive as regards their role and the information flows ensured by these committees to the Board of Directors.

5. INTERNAL COMMITTEES WITHIN THE BOARD OF DIRECTORS

The Internal Control and Risk Committee and the Remuneration Committee have been set up by the Board of Directors; their roles and functions are in line with the standards indicated in the Self-regulatory Code and with corporate governance best practice.

On 27 April 2012, the Board of Directors decided against having a specific appointments committee within the Board of Directors as there has been no need to meet the criteria of 4.C.2 of the Self-regulatory Code as the Board of Directors has always carried out the functions attributed to an appointments committee in the Self-regulatory Code.

On 26 July 2013, the Board of Directors adopted "Rules for the appointment of the corporate bodies of subsidiaries", which gives guidelines for appointments to the administration and control bodies in subsidiaries with reference to the "Rules for the Regulation of Direction and Coordination by the Parent Company" (see section 11).

Remuneration Committee

A Remuneration Committee has been constituted within the Board of Directors.

The Board of Directors meeting of 27 April 2012, appointed the Deputy Vice Chairman, Attilio Fontana, as Chairman of the Remuneration Committee and the non-executive Directors, Romeo Robiglio and Giampietro Omati, as the other members of the committee.

The members of the Remuneration Committee are remunerated for the work they do.

During the financial year to 31 December 2014 the Remuneration Committee met three times, with minutes taken, making proposals, as is its duty, to the Board of Directors. The average duration of these meetings was approximately ninety minutes. Three meetings have been held to date in the current financial year.

Information on the composition, activities and operation of the Remuneration Committee, is given in the Report on Remuneration published in accordance with Article 123-*ter* of the Consolidated Finance Act.

Remuneration of the Board of Directors

Reference should be made to the Report on Remuneration published in accordance with Article 123-*ter* of the Consolidated Finance Act for:

- the general policy on remuneration;
- remuneration of executive and non-executive Directors;
- remuneration of executives with strategic responsibilities;
- compensation payable to Directors on resignation, dismissal or suspension of employment.

Internal Control and Risk Committee

The Board of Directors set up an Internal Control and Risk Committee composed of independent and non-executive Directors. The Committee has an advisory role, makes proposals and carries out preliminary research to aid the Board of Directors in its decisions and evaluations regarding the internal control and risk management systems, as well as the approval of the financial statements and the six month interim financial statements; it gives the Board of Directors written information, on at least a six-monthly basis when the annual financial statements and the interim six-monthly statements are approved, regarding its activities and also the adequacy of the internal control and risk management systems.

The Internal Audit Committee has the following remit:

- to give a preliminary opinion to the Board of Directors regarding:
 - (i) the definition of the guidelines of the internal control and risk management systems so that the main risks faced by the Company and its subsidiaries are correctly identified, quantified, managed and monitored while assessing the compatibility of these risks with management of the company that is consistent with its stated strategic objectives;
 - (ii) the annual evaluation of the adequacy and efficacy of the internal control and risk management systems given the nature of the business and its risk profile;

- (iii) the description, which is part of the Report on Corporate Governance, of the main features of the internal control and risk management systems and the evaluation of its adequacy and the definition of the guidelines of the internal control system and the periodical verification of the adequacy, effectiveness and efficient functioning of the internal control system, with particular emphasis on the requisite autonomy of internal control activities from operating areas;
- to express a considered opinion on the interests of the Company and on the substantial correctness of conditions regarding related-party transactions, pursuant to the enacted Procedures for Related-Party Transactions adopted by the Company in accordance with Consob Resolution no. 17221/2010 and the relative enacted organisational procedures;
 - to express a considered opinion on specific aspects regarding the identification of the main corporate risks;
 - to evaluate, in collaboration with the Manager responsible for preparing the Company accounts, the Independent Auditors, and the Board of Statutory Auditors, the correct application of accounting principles, as well as their consistent application within the Group in the preparation of the consolidated financial statements;
 - to express a preliminary opinion regarding the appointment or change in the Head of Internal Audit, ensuring that he/she has the necessary resources to carry out his/her role, as well as on whether the relative remuneration is consistent with Company policy;
 - to express its opinion regarding the adoption and subsequent updating of the guidelines for the Manager responsible for the preparation of the Company accounts;
 - to express an opinion to the Board of Directors on the annual approval of the work schedule prepared by the Head of Internal audit and to examine the periodic reports made by the internal audit department that evaluate the internal control and risk management system, and any other important evaluations;
 - to express an opinion to the Board of Directors on the results of the independent audit expressed in any eventual letter of suggestions and in the report on the fundamental questions pursuant to Article 19, paragraph 3 of Legislative Decree no. 39/10 that have emerged as part of the legal audit;
 - to express an obligatory but non-binding opinion on any intra-group service contracts that could come under the Rule governing the exercise of direction or coordination by the Parent Company;
 - to monitor the independence, adequacy and efficacy of the internal control procedures.

The Chairman of the Board of Statutory Auditors (or a member of the Board of Statutory Auditors delegated by him) and the Head of Internal Audit for Fiera Milano SpA attends meetings of the Internal Control and Risk Committee. Other Statutory Auditors may also attend.

If considered appropriate, the Committee may invite directors and executives of Fiera Milano SpA or of Group companies to attend its meetings so that they may give their opinion on specific matters; it may also invite other persons who may be able to assist in the business of the Committee.

The Internal Control and Risk Committee has access to information and the corporate functions necessary to expedite its business and may also use external consultants.

At its meeting on 27 April 2012, the Board of Directors appointed the following as members of the Internal Control and Risk Committee: Renato Borghi, Roberto Baitieri and Michele Motterlini, all independent non-executive Directors. At the time of these appointments, the Board of Directors expressed its positive opinion on the professional accounting and financial experience of the

Director, Mr Motterlini. Subsequently, following the resignation of Mr Motterlini, on 29 October 2012 the Board approved the appointment of the independent and non-executive Director, Mr Davide Croff, to the Internal Control and Risk Committee. On the appointment of the aforementioned Director, the Board of Directors expressed a favourable opinion regarding the professional accounting and finance experience of the Director Mr Croff.

At the Board Meeting of 25 October 2013, the Board of Directors decided that the Chair of the Internal Control and Risk Committee should rotate every six months among the members of the Committee.

The members of the Internal Control and Risk Committee are remunerated for the work they do.

During the financial year to 31 December 2014, the Internal Control and Risk Committee held eleven meetings, minuted in accordance with the regulations. The average duration of the meetings of this Committee was approximately one hour. Two meetings have been held to date in the current financial year.

During the financial year, the Internal Control and Risk Committee focused on monitoring the implementation of the shared services of the Group; evaluating the work schedules prepared by the Head of Internal Audit, with relevant periodic reports on the audit activity; the relevant audit reports and the report on the fundamental questions under Article 19, paragraph 3 of Legislative Decree no. 39/10; and evaluating, together with the Manager responsible for preparing the Company accounts, the correct application of the accounting principles adopted in preparing the Company accounts and, in particular, the methodology followed in applying the impairment test procedures under IAS 36. The Internal Control and Risk Committee exercised its prerogative to give a preliminary analysis to the Board of Directors identifying, quantifying, managing and monitoring the main risks by carrying out (i) an overall risk profile analysis of the Group 2014-2017 business plan (ii) an analysis of the risk profile of the relationship with Expo 2015 SpA and (iii) an examination and evaluation of the Group risk map updated to 31 December 2014.

On the subject of related-party transactions, the Committee expressed a positive opinion on the resolution of the Board of 14 March 2014, expressed its binding opinion under Article 9.2 of the Procedure for Related-party Transactions regarding the suitability and substantive correctness of the renegotiation terms of the lease contracts for the exhibition sites of Rho-Pero and Milan with the controlling shareholder Fondazione Ente Autonomo Fiera Internazionale di Milano.

6. Internal Control and Risk Management System

The internal control and risk management system of the Company and the Group is made up of rules, procedures and organisational structures that are designed to identify, quantify, manage and monitor the main risks. It contributes to the conduct of the Company and the Group as it is consistent with the corporate objectives established by the Board of Directors of the Parent Company and favours the adoption of informed decisions. It also contributes to guaranteeing (i) the protection of shareholder equity, (ii) efficient and effective corporate procedures, (iii) reliability of financial reporting, and (iv) compliance with applicable laws and rules, the Company's Articles of Association, and internal procedures.

Fiera Milano Group has developed an integrated risk management model based on internationally recognised Enterprise Risk Management (ERM) standards.

The main aim is to have a systematic and pro-active approach to identifying the principal risks to which the Group is exposed and to identify as early as possible the potential negative effects, taking suitable action to mitigate these effects while continually monitoring the relevant exposure.

In order to achieve this Fiera Milano has compiled a catalogue of Group risks linked to the strategies being implemented, together with a risk mapping and risk scoring methodology, and has made the necessary organisational changes so as to identify the roles and responsibilities of those involved.

Specifically, the Group integrated risk management process entails an annual (i) update of the risk catalogue according to the strategies implemented and the management and business model used; (ii) assessment of the risks by the management of Fiera Milano SpA and of its subsidiaries; (iii) consolidation of information and prioritisation of the risks and the consequent course of action; (iv) tolerance analysis of any exposure identified and formulation of the appropriate management strategies/actions and the identification of those responsible for implementing such actions; (v) monitoring over time of any exposure that has been identified.

The Internal Control and Risk Committee and the Board of Statutory Auditors are informed of the results of the aforementioned procedures.

Risk management and internal control system for financial reporting

The aforementioned integrated risk management model cannot be considered separately from the internal control system used for the financial information process as both are elements of the overall internal control and risk management system of Fiera Milano SpA. It should be noted that the process for preparing the annual and interim financial statements and, in particular, the processes to describe the principal risks and uncertainties to which Fiera Milano SpA and the Group are exposed, are strictly linked and coordinated to the information flows deriving from the Enterprise Risk Management (ERM) processes of the Company and of the Group, which aim to identify, evaluate and mitigate any corporate risks.

In recent financial years, Fiera Milano SpA has modified its internal control system for financial reporting in keeping with the provisions of Law 262/05 so as to document, where necessary, the administrative and accounting control model adopted, and to schedule and carry out periodic checks on the operational efficacy of the controls that are behind the certification processes of the Manager responsible for preparing the company accounts.

The aforementioned administrative and accounting control model combines the internal procedures and methods used by the Company to attain the corporate targets of integrity, accuracy, reliability and timeliness of financial information. The approach of Fiera Milano SpA in formulating, implementing and continually updating the aforementioned administrative and accounting control model is in line with generally accepted best practice, the guidelines for the duties of the Manager responsible for preparing the company accounts under Article 154-*bis* of the Consolidated Finance Act issued by Confindustria, and is based on a process that complies with the Internal Control-Integrated Framework issued by the Committee of Sponsoring Organizations of the Treadway Commission.

This reference model, based on the components of the internal control system (Control environment, Risk assessment, Control activities, Information & Communications, and Monitoring) necessary to attain the aforementioned financial reporting objectives favours, *inter alia*, the identification of coordination opportunities and the development of synergies among, for example, Enterprise Risk Management activities, activities undertaken to comply with Decree Law 231/2001 and the activities of the Head of Internal Audit.

The internal control system phases relating to the financial reporting system of Fiera Milano SpA can be divided into the following macro-categories:

- identifying procedures, risks and controls;

- defining and updating administrative and accounting procedures;
- monitoring and updating administrative and accounting procedures.

As part of the responsibilities and powers given him/her by the Board of Directors, the Manager responsible for preparing the Company accounts must effectively implement any actions falling into the above categories.

The main activities under the model used, and included in the macro-categories listed above, are summarised below.

Identifying procedures, risks and controls

This category includes all activities concerned with identifying or updating the extent of analysis and monitoring carried out, the identification and assessment of risks, the planning of administrative and accounting procedures and the formulation and assessment of checks aimed at mitigating those risks.

At least once a year, the Manager responsible for preparing the Company accounts decides the areas of the Company and Group processes that will be subject to risk analysis and to monitoring of the controls existing in the administrative and accounting control model. This will be done using both quantitative and qualitative parameters to ensure that the most significant areas and/or those that pose the greatest risk of failing to meet the objectives of the financial reporting controls are included in the aforementioned areas.

Defining the areas to be analysed and monitored necessitates identification of the relevant accounts, disclosures and connected procedures so that the subsequent identification and assessment of controls, both at entity level and at procedure and transaction level, can effectively mitigate the risks inherent in the process of preparing financial information.

With regard to identifying and assessing risk in financial reporting, the approach adopted considers both the risk of unintentional errors and those that may be caused by fraudulent activity, providing for the formulation and monitoring of checks and balances that address these types of risk, as well as coordinating the controls implemented with others in the overall internal control system.

To support the assessment of inherent risk levels, the reference criteria used are based on the following main potential risk indicators, generally recognised by the reference best practice: changes in information systems, processes and procedures and other complex elements, for example, the complexity of information processing required by a certain procedure, a high level of transactions, or, for example, in processes that incorporate a considerable amount of estimates and valuations, the adequacy of the documentation and the reliability of the assumptions made.

When significant risks in financial reporting are identified, the administrative and accounting control model provides for the appropriate identification of controls to mitigate these risks. Specifically, the approach adopted takes adequate account of both manual controls and the data system controls in the administrative and accounting procedures, the so-called automatic system controls application, the general IT control that govern system access, the control of developments and modifications to the application systems, and the adequacy of the information structures.

The administrative and accounting model, in line with reference best practice, ensures that the surveillance procedures for the processes, risks and controls is updated for significant changes in the Group administrative and accounting procedures whenever necessary.

Defining and updating administrative and accounting procedures

Based on the results of monitoring the processes, risks and controls, the Manager responsible for preparing the Company accounts defines or updates the administrative and accounting procedures and guarantees their adequacy as regards the internal control model and monitors the various phases of the definition or updating of the procedures.

In particular, the updating of the administrative and accounting procedures is done in conjunction with the evaluation of the design of the controls and the continuous monitoring of their implementation.

Monitoring and updating of administrative and accounting procedures

the Manager responsible for preparing the Company accounts constantly monitors the administrative and accounting procedures, with particular reference to those linked to the preparation of the financial statements, the consolidated financial statements and the summary half-year financial statements, as well as any action or communication of a financial nature that requires statements, attestations and declarations under paragraphs 2 and 5 of Article 154-*bis* of the Consolidated Finance Act, so as to ensure the adequacy and effective implementation of these procedures.

To achieve this, special verification actions to ascertain the correct implementation of the controls incorporated in the administrative and accounting procedures exist. The checks, analyses, and verification of the administrative and accounting procedures are based on defining a test strategy that determines the *modus operandi*, the controls and ways of monitoring the procedural systems implemented.

The timetable of the monitoring activity is prepared in such a way as to give priority to verifications of identified "key" controls, and to balance the objectives of efficiency with the requirement of achieving adequate coverage of the verification activities, introducing rotational tests for the significant processes and sub-processes of subsequent important balance sheet dates.

With regard to the organisational aspects and to the roles involved in the various phases of formulating, implementing, monitoring and updating over time the administrative and accounting control model, it should be noted that specific information flows have been defined between the Head of Internal Audit and the corporate, administrative and control committees and the corporate executives and/or areas that, outside the Department of Administration, Finance and Tax, are involved in compiling, preparing and circulating the annual financial statements, the consolidated financial statements, the summary half-year financial statements, the interim management reports and, more in general, any information subject to attestation/ declaration by the Manager responsible for preparing the company accounts. The accounting and administrative model also covers specific information flows among Group companies and internal attestations/declarations.

In preparing the annual and interim financial statements and describing the principal risks and uncertainties to which Fiera Milano SpA and the Group are exposed, the Manager responsible for preparing the Company accounts works with the Enterprise Risk Management of the Company and of the Group in order to identify and assess all corporate risks.

Governance of subsidiaries in countries outside the EU

In accordance with the provisions of Article 36, as referred to in Article 39, paragraph 3 of the Stock Market Regulations, the Company and its subsidiaries have administrative and accounting systems which make public the accounting procedures used to prepare the consolidated financial statements of the Companies to which this law is applicable and which permit the regular communication of the data required to prepare the financial statements to the Parent Company management and its independent auditors.

Therefore, the conditions exist under the aforementioned Article 36, paragraphs a), b) and c) of the Stock Market Regulations issued by Consob.

Director appointed to oversee the internal control and risk management systems

The Board of Directors is responsible for internal control and risk management and, with the help of the Internal Control and Risk Committee, for establishing its guidelines and periodically verifying that it is fit for purpose and is functioning effectively, ensuring that the principal corporate risks are identified and managed in an appropriate manner. The Chief Executive Officer is responsible for implementing the guidelines drawn up by the Board of Directors by setting up, managing and monitoring the internal control and risk management system.

Head of Internal Audit (the "Internal Control Department")

The Head of the Internal Control Department is responsible for verifying that the internal control and risk management system is fit for purpose and working; he/she is not hierarchically answerable to anyone in charge of an operating area but reports directly to the Chairman so that independence and autonomy are guaranteed. There is also a system for functional reporting to the Internal Control and Risk Committee. The Head of the Internal Control Department has direct access to all the information necessary and to adequate means for carrying out his/her role.

It is the responsibility of the Board of Directors, on the suggestion of the Chief Executive Officer, prepared in conjunction with the Chairman, and having received a favourable opinion from the Internal Control and Risk Committee and having consulted the Board of Statutory Auditors, to appoint or cancel the appointment of the Head of the Internal Control Department and to ensure that the latter has all the resources required to carry out his/her duties and is remunerated in line with company policies. The Board of Directors is also responsible for annually approving the work schedule prepared by the Head of the Internal Control Department, having considered the opinion of the Internal Control and Risk Committee, consulted the Board of Statutory Auditors, the Chairman and the Chief Executive Officer.

The Head of the Internal Control Department reports regularly to the Chairman and periodically to the corporate control bodies, the Internal Control and Risk Committee and the Board of Statutory Auditors.

Organisational model pursuant to Legislative Decree no. 231/01

The Company has adopted an Organisation, Management and Control Model in accordance with Legislative Decree no. 231/01.

The aim of the Organisation, Management and Control Model is to describe the operating and conduct rules governing the Company's activities, as well as the additional controls that the Company has adopted in order to prevent any of the offences described in the Decree being committed. The Model covers the current organisational and control tools, such as the organigram, the system of proxies and delegations and the service instructions.

In particular, the Model aims to:

- ensure, amongst those persons operating in the name of and on behalf of the Company in areas where there is a risk of offences being committed and in areas vulnerable to the committing of offences, that there is an awareness of the risk of committing an offence if the procedures received are violated, an event that might give rise to administrative or criminal sanctions not only for those persons but also for the Company;
- emphasise that any form of unlawful behaviour is strongly condemned by the Company (even where the Company may apparently be in a position to derive some advantage from it) as it contravenes not only the law but also the corporate ethics to which the company wishes to adhere in carrying out its corporate mission;
- permit the Company, through continuous monitoring of areas where there is a risk of offences being committed and of areas vulnerable to the committing of offences, to intervene promptly so as to prevent or act against the perpetration of any unlawful activity.

The Company's Model is composed of a general part, which describes the contents of Legislative Decree no. 231/2001, the function and principles of the Model, the identification of activities at risk, the definition of protocols, the characteristics and functions of the Supervisory Body, the activities of training and information, the system of sanctions, and fourteen special sections, each dedicated to a category of offence under Legislative Decree no. 231/2001: (i) crimes committed against the public administration (ii) corporate crimes (iii) crimes of market abuse (iv) transnational offences (v) crimes against persons in violation of workplace health and safety (vi) crimes concerning receiving, recycling and use of money and goods of unlawful origin (vii) IT crimes (viii) crimes of organised crime (ix) crimes against industry and trade (x) crimes of copyright infringement (xi) inducements not to make statements or to make false statements to the court (xii) environmental crimes (xiii) employment of citizens from outside the EU who do not have a legal right to be in the country (xiv) private bribery. Each special section gives a description of the sensitive activities, the instrumental procedures, and the general and specific supervision principles. The Model is completed by appendices, which are an integral part of it, that include the Code of Ethics and the reporting lines of each Organisational Unit to the Supervisory Body and a catalogue of regulatory offences and predicate offences for which the Company is liable.

The last two special sections were included in the Model when the most recent update of the latter was adopted at the meeting of the Board of Directors held on 14 March 2014. These two special sections refer to offences that have recently been included in the range of so-called "predicate offences" as regards liability under Legislative Decree 231/01.

In order to monitor functioning, efficacy and observance of the Model, and to ensure that it is updated, the Board of Directors has given a collective body the functions of a Supervisory Body, with the aforementioned duties.

The Supervisory Body is composed of the Chairman, Michele Perini, who acts as Chairman of the Supervisory Body, the non-executive and independent Director, Pier Andrea Chevallard, the Head of the Internal Control Department, Andrea Pizzoli, and of the lawyer, Ugo Lecis, acting as an external expert. The members of the Supervisory Body are remunerated for their work.

The Organisational Model, in implementation of the terms of Article 6 paragraph 2 of Legislative Decree no. 231/01, provides for specific information flows to the Supervisory Body so that it can carry out more effectively the supervision and monitoring of the functioning of the Model.

With reference to the unlisted companies of the Group that have adopted their own organisational model, the Supervisory Body has conducted research on each of these in order to identify adequate technical/operational solutions that, while respecting the mandate and powers reserved for the same by the prevailing regulations, are appropriate to the dimensions and organisational context of each corporate entity, also taking account of the relevant guidelines issued by the Parent Company.

As regards foreign subsidiaries operating under foreign law, and which do not have to adhere to the provisions of Legislative Decree no. 231/01 and which did not have their own Organisational, Management and Control Models pursuant to the aforementioned Decree 231, in addition to adopting the Code of Ethics, during 2012 they also adopted guidelines for anti-corruption rules and other compliance programmes in order to have a systematic reference framework of crime prevention regulations and standards.

Independent audit firm

Accounting audit and control has been entrusted to Reconta Ernst & Young SpA, a company registered in the specific Consob Register, in compliance with applicable law. The mandate was conferred by the Shareholders' Meeting of 29 April 2014 and relates to the financial years ending 31 December 2014-2022.

Manager responsible for preparing the company accounts

The Board of Directors of the Company, on 27 April 2012, having previously sought the opinion of the Board of Statutory Auditors, appointed as Manager responsible for preparing the company accounts Mr. Flaminio Oggioni, previously the company's Director of Administration Finance and Tax, at the same time conferring on him, through the appropriate delegation of functions, adequate means and powers to carry out the duties attributed to him under enacted law. The Board of Directors also supervises the effective compliance with administrative and accounting procedures. The Company's Articles of Association require the Manager to be an expert in matters of administration, finance and control and to possess the same characteristics of personal probity required for the Statutory Auditors under current legislation. The Manager's appointment is for three financial years and must not exceed the mandate of the Board of Directors that made the appointment.

Coordination among persons involved in the internal control and risk management system

The coordination of persons involved in the internal control and risk management system is through a series of mechanisms and means of interaction: i) scheduling and holding joint meetings of the various corporate bodies and functions responsible for internal control and risk management; ii) attendance at meetings of the Internal Control and Risk Committee by the Chairman of the Board of Statutory Auditors and other members of the Board of Statutory Auditors and by the Head of Internal Audit; iii) attendance by the Head of Internal Audit in his/her role as a member of the Supervisory Committee under Legislative Decree 231/01.

7. Board of Statutory Auditors

Appointment of Auditors

The Company's Articles of Association currently require that the appointment of the Statutory Auditors is made on the basis of lists presented by the shareholders; the articles state that the position of Chairman of the Board of Statutory Auditors is granted to the first candidate on the second list by number of votes and who is in no way related, even indirectly, to those shareholders who presented, or combined to present, or voted for the first-placed list by number of votes. Only those shareholders who, individually or together, represent at least 2.5% of the share capital and are entitled to vote in the ordinary shareholders' meeting have the right to present a list, as required by the Company's Articles of Association and by Consob Resolution no. 19109 of 28/01/2015. A shareholder who intends to present a list of candidates and who does not own a controlling shareholding or the relative majority of the share capital of the Company must deposit a declaration stating the absence of any relationship with the controlling shareholder, as defined by the regulatory provisions. The lists must be deposited at the Company's registered office at least twenty-five days before the date fixed for the first convocation of the Shareholders' Meeting and must be made public by the Company at least twenty-one days before the date fixed for the first convocation of the Shareholders' Meeting.

Ownership of the minimum shareholding required to present lists is based on the shares that are registered to the shareholder on the day on which the lists are deposited with the Company. To prove ownership of the minimum number of shares required to present lists, the shareholders must provide within the time for the publication of the lists by the Company the relative certification by authorised intermediaries released in accordance with law.

Each list, deposited within the periods described above, must be accompanied by a declaration in which each candidate accepts the candidacy and declares that no reasons of ineligibility or incompatibility exist with reference to the accumulation of positions referred to below, that the requirements prescribed by enacted law relating to the assumption of the position are fulfilled, and must include a *curriculum vitae* of the career of each candidate that gives the administration and control positions held.

The Articles of Association also provide that, without prejudice to situations of incompatibility under prevailing laws, any person who is already an acting Statutory Auditor in five companies listed on regulated markets may not take up a position as Statutory Auditor and, if elected, their mandate is nullified, except where different limits are established by laws which may periodically be introduced.

On 9 July 2012, the Board of Directors of Fiera Milano SpA decided to amend, by Public Deed, Article 20 ("The Board of Statutory Auditors") of the Company's Articles of Association.

The amendment to Article 20, "The Board of Statutory Auditors", includes the same criteria and principles that exist for the appointment and replacement of members of the Board of Directors as described above.

The changes to the Company's Articles of Association will be applied when the corporate bodies are next reappointed when the mandate of the current Board of Statutory Auditors expires.

The complete Company Articles of Association with the changes shown is available on the Company website www.fieramilano.it in the section *Investor Relations/Corporate Governance/Articles of Association*.

Composition of the Board of Statutory Auditors

The Board of Statutory Auditors was appointed by the Shareholders' Meeting of 27 April 2012, on the basis of a single list presented by the controlling shareholder, Ente Autonomo Fiera Internazionale di Milano – and will remain in position until the approval of the Financial Statements to 31 December 2014.

The Board of Statutory Auditors is composed of the following members and a short *curriculum vitae* is given indicating the personal and professional experience of each Statutory Auditor.

Stefano Mercorio: born on 26 January 1963 in Bergamo, Chairman of the Board of Statutory Auditors of Fiera Milano SpA since April 2012; Statutory Auditor from April 2010 to April 2012.

A graduate in Economics and Commerce from the Università degli Studi di Bergamo, he is a fully qualified chartered accountant (*Dottore Commercialista*) and is registered on the Register of Accounting Auditors and is a business consultant; he is a member of the Board of Directors of Interroll Holding AG, a company listed on the Zurich stock exchange, and is also Chairman of the Board of Statutory Auditors, a standing Statutory Auditor, a Statutory Auditor and manager of numerous other companies.

Alfredo Mariotti: born on 12 March 1946 in Gerenzano (VA), Standing Statutory Auditor of Fiera Milano SpA since 2003.

A graduate in Economics and Commerce at the Università Cattolica del Sacro Cuore of Milan and registered on the National Register of Accounting Auditors. Since 2003 he has been Secretary General of Federmacchine, the industry association for the mechanical and mechanical accessory trade associations. He is also the Chief Executive Officer of Sofimu SpA (Holding), Secretary General of the Fondazione Ucima, Director General of Ucima – Sistemi per Produrre, and is the Chairman of the Board of Statutory Auditors or a standing statutory auditor in several companies.

Damiano Zazzeron: born on 5 September 1962 in Fagnano Olona (VA), Standing Statutory Auditor of Fiera Milano SpA since April 2012; from 2003 to April 2012 he was Chairman of the Board of Statutory Auditors.

A graduate in Economics and Commerce from the Università Cattolica del Sacro Cuore of Milan, he is a fully qualified chartered accountant (*Dottore Commercialista*) and is registered on the Register of Accounting Auditors. He has many years experience in the following sectors: corporate restructuring, business combinations, banking foundations and, in particular, has specific know-how of the non-profit sector. He is a frequent speaker at workshops and seminars on legal and tax matters relating to non-profit entities. He works as a consultant, statutory auditor or auditor in several large international and national companies and entities.

Antonio Guastoni: born on 11 January 1951 in Milan, Supplementary Statutory Auditor of Fiera Milano SpA. A graduate in Economics and Commerce from the Università Commerciale Luigi Bocconi, he is a fully qualified chartered accountant (*Dottore Commercialista*) and is registered on the Register of Accounting Auditors. He holds several administrative and control positions.

Pietro Pensato: born on 22 December 1939 at Torremaggiore (FG), Supplementary Statutory Auditor of Fiera Milano SpA. A chartered accountant registered on the National Register of Accounting Auditors since 1995, he is also registered on the register of employment consultants. He holds the position of standing Statutory Auditor in several limited companies and is a tax, administration and human resources administration consultant.

All the members possess the necessary requisites of professionalism and probity required by enacted law, as well as the independence required by Directors in the Self-regulatory Code, possession of which was verified by the Board of Directors when they were appointed.

During the 2014 financial year, the Board of Statutory Auditors met fourteen times. The average duration of the meetings of the Board of Statutory Auditors was approximately one hour. Three meetings have been held to date in the current financial year.

Role and functions of the Board of Statutory Auditors

The Board of Statutory Auditors, in accordance with Article 149 of the Consolidated Finance Act, monitors the Company's activities: to ensure compliance with the law and the Company's Articles of Association; to ensure compliance with the principles of correct administration; to ensure the adequacy of the company's organisational structure regarding positions and responsibilities, the internal control system and the administrative/accounting system, as well as the reliability of the latter in accurately representing management information; to ensure there exist the means of concrete implementation of the rules of corporate governance provided by the codes of conduct prepared by the companies responsible for the organisation and management of regulated markets and to ensure the adequacy of the regulations prepared by the Company and applicable to its subsidiaries, in accordance with Article 114 paragraph 2 of Legislative Decree 58/98. In accordance with Article 19 of Legislative Decree 39/2010, the Board of Statutory Auditors also oversees the legal auditing of the annual financial statements and the consolidated financial statements and the effectiveness of the internal control and risk management systems, as well as the process for financial reporting.

The Board of Statutory Auditors also monitors the independence of the independent audit firm, ensuring compliance with existing regulations, and the nature and scale of the various accounting services provided by the independent audit firm and its network of entities to the Company and its subsidiaries. In carrying out its activities the Board of Statutory Auditors also operates in conjunction with the internal control function and with the Internal Control and Risk Committee on matters of common interest through meetings and exchanges of information.

8. Procedures adopted by the Company

Internal Dealing Code

The Company has adopted an *Internal Dealing Code*, prepared in accordance with article 152-*sexies* and subsequent articles of Consob Resolution no. 11971/99 and subsequent modifications and additions, to take account of the regulations regarding market abuse.

According to the *Code*, a number of relevant persons, and persons close to them, who have regular access to inside information and the power to make management decisions that could affect the performance and prospects of the listed issuer, are obliged to inform the market of any transaction involving listed financial instruments issued by the company.

The perimeter of the "relevant persons" covered by the provisions of the *Internal Dealing Code* has been restarted with approval of 13 May 2013.

In particular the "relevant persons" are identified as the Directors, the Statutory Auditors, Members of the Fiera Milano Group Executive Committee, as well as the controlling shareholder, Ente Autonomo Fiera Internazionale di Milano, insofar as it owns a shareholding of more than 10% of the Company.

The *Code* provides thresholds and terms of communication to the market and related sanctions in line with those established by Consob Rules. Consistent with the recommendations contained in the Rules for markets organised and managed by Borsa Italiana SpA, the current *Internal Dealing Code* provides for a black-out period of 15 days preceding the Board meeting convened to approve the Financial Statements for the period, during which the relevant persons (with the exception of persons holding at least 10% of the company) are prohibited from trading in financial instruments issued by the company, with some specific exceptions.

The communications made in compliance with the *Internal Dealing Code* under article 152-*octies*, paragraph 7, of Legislative Decree no. 58/98 (filing models) are available on the Company website www.fieramilano.it in the section *Investor Relations/Corporate Governance*.

Procedure for the management of inside information

The Company has adopted a *Procedure for the internal management and the external communication of inside information*, which incorporates the provisions of regulations regarding market abuse, and which also governs the setting up of a register of persons having access to inside information.

The procedure generally entrusts the management of inside information relating to their relevant areas of competence to the Company Chief Executive Officer and the Chief Executive Officers of Group companies; it contains specific sections dedicated to the definition of privileged information, to the related procedures for managing privileged information, to the ways of dealing with so-called market rumours, and governs instances of delays in communicating to the market, the approval process for press releases, the setting up of a register of persons having access to inside information, persons authorised to maintain external relations and persons obliged to maintain confidentiality.

The Company has also adopted a specific *Procedure for the maintenance and updating of the register of persons having access to inside information* in order to regulate the means and responsibilities of maintaining and updating the register. The document identifies the individual responsible for managing the register, a privileged information committee and the individuals registered with it; and it governs the procedures for initial inclusion and subsequent updating of the register, as well as aspects regarding confidentiality obligations.

Procedures for Related-Party Transactions

The Company has a *Procedure for Related-Party Transactions* (hereinafter the *Procedure*).

The *Procedure* was adopted on 5 November 2010 and implemented from 1 January 2011. It was prepared in compliance with the provisions of the Rule governing related-party transactions approved by Consob Resolution no. 17221 of 12 March 2010, subsequently modified by Consob Resolution no. 17389 of 23 June 2010 (hereinafter the Rule), and with the guidelines for the application of the Rule governing related-party transactions supplied by Consob with Communication no. DEM/10078683 of 24 September 2010. The current *Procedure* was amended with a resolution of the Board of Directors on 16 December 2013. The definition of a related-party was extended under the provisions of Article 4 of the Code, which allows companies to expand the definition of a related-party as a result of an analysis of the legal relationship. Given this, executives with strategic responsibilities in subsidiary companies have been included within the definition. This change was the result of the need to track the relationship of executives, particularly those of foreign companies. The *Procedure* was also amended to include other optional provisions. To determine a related-party of Fiera Milano, in the paragraph which defines a related party, the related parties must be identified using the specific circumstances of actual cases whilst

also meeting the requirements of international accounting standard IAS 24. Furthermore, if the Internal Control and Risk Committee is entirely composed of independent Directors, it must be the first committee asked for its favourable opinion of any potential amendments to the *Procedure for Related-Party Transactions*.

The *Procedure* identifies the rules and measures to be adopted to ensure transparency and the substantial and procedural correctness of related-party transactions carried out directly by Fiera Milano SpA or through its subsidiaries. The Internal Control and Risk Committee has been identified as the body designated to express a considered opinion on the interests of the Company and the substantial correctness of the relevant conditions for the completion of related-party transactions.

The new *Procedure* takes advantage of the dispensation given in the Rule that, without prejudice to the requirements regarding the dissemination of information to the public, allows smaller listed companies – or for those with balance sheet assets or revenues as shown in the most recently approved Financial Statements that do not exceed Euro 500 million - the possibility of applying to Transactions of Greater Importance the guidance and approval procedures for Operations of Lesser Importance.

The Board of Directors of the Company will periodically evaluate, and anyway at intervals of not more than three years, whether to update the *Procedure* taking into account, *inter alia*, any eventual changes to its assets, as well as the efficacy of the application of the rules and guidance adopted.

The *Procedure* is available on the Company website, www.fieramilano.it, in the section *Investor Relations/Corporate Governance/Related-party Transactions*.

The Company has also adopted Organisational Implementation Instructions with regard to the *Procedure for Related-Party Transactions* in order to:

- (i) establish the methods and timing for the preparation and updating of the related-party database compiled specifically for the *Procedure*;
- (ii) monitor the rules for identifying related-party transactions before they are finalised and oversee the preliminary procedures by identifying those persons that should give and/or receive information, the subjects appointed to ascertain if a specific transaction comes under the application of the *Procedure*, as well as the means of guaranteeing the traceability of the transaction under examination;
- (iii) establish the methods, timing and responsibility for managing the process of informing the public as required by the *Procedure*.

9. Investor Relations

The Company has adopted a communication policy with the aim of establishing a continuous dialogue with all shareholders and, in particular, with institutional investors, ensuring the systematic and prompt dissemination of exhaustive information regarding its activities, while complying with the regulations on inside information.

It has therefore appointed an Investor Relations Manager within the organisational structure of the company, who reports to the Chief Executive Officer.

The means of financial communication are those of systematic contact with financial analysts, institutional investors and the specialist media in order to ensure a full and proper understanding of the trends in the Company's strategic direction, the implementation of strategy and the impact on the results of the business.

In addition, the Company believes that dialogue with investors is fostered by providing them with sufficient information to allow them to make informed decisions when exercising their rights and by organising the content of the Company's website (www.fieramilano.it in the *Investor Relations* section) so that they can access economic and financial information (annual financial statements, half-yearly and quarterly interim financial statements, presentations to the financial community), as well as updated data and documents of general interest to shareholders (press releases, Company calendar, composition of the Company's governing bodies, Articles of Association, minutes of Shareholder Meetings, an outline of the Group structure, the *Code of Ethics*, the *Internal Dealing Code*, and the related filing models etc.).

10. Shareholders' Meetings

The Shareholders' Meeting is conducted for the benefit of all shareholders and the resolutions approved in Shareholders' Meetings, in accordance with the law and the Articles of Association, are mandatory and binding on all shareholders, including those who did not participate, who abstained or who dissented, although dissenting shareholders have rights of rescission under certain circumstances.

The Shareholders' Meeting of 23 April 2013 adopted, in accordance with the provisions of Article 9.3 of the Self-regulatory Code, *Rules of Procedure* that govern the conduct of Ordinary and Extraordinary Shareholders' Meetings. This Rule is publicly available on the Company website www.fieramilano.it in the section *Investor Relations/Corporate Governance/Shareholders' Meetings*.

The aforementioned *Rules of Procedure* defines the procedure to be followed to ensure the orderly and correct conduct of Shareholders' Meetings whilst guaranteeing the right of each shareholder to speak on the matters under discussion.

The Shareholders' Meeting is convened and deliberates, in accordance with law and the regulations pertaining to companies with listed shares, on matters that are its right under the law.

The Shareholders' Meeting is authorised to approve, among other matters, in an ordinary or extraordinary meeting (i) the appointment or dismissal of members of the Board of Directors and of the Board of Statutory Auditors and their relevant remuneration and responsibilities, (ii) the approval of the Financial Statements and the allocation of profits, (iii) the purchase and disposal of treasury stock, (iv) changes to the Company's Articles of Association, (v) the issue of convertible bonds.

Under enacted law, legitimate attendance and the exercise of the right to vote in Shareholders' Meetings is restricted to those who appear as shareholders on the seventh trading day prior to the date of the Shareholders' Meeting and who present to the issuer the relevant communication from an intermediary that accords with the latter's accounting records on behalf of the person having the right to vote at the Shareholders' Meeting using the aforementioned mechanism.

11. Other corporate governance procedures

Regulation of Direction and Coordination

The Company has regulations governing the exercise of direction and coordination by the Parent Company.

This document has been prepared with the objective of setting guidelines to govern the direction and coordination activity of the higher authority over the subordinate entity, with the aim of

providing a solid base for the research and development of more extensive and more effective interrelationships.

The Regulation identifies precise responsibilities regarding, respectively, the Company and its subsidiaries, within an unambiguous and reciprocal assumption of duties, and it establishes precise governance procedures appropriately gauged to provide an equitable balance between requirements for centralisation and respect for the autonomous management of the subsidiaries.

It also specifies that in the Group's regulatory hierarchy the organisational regulations come below the Parent Company's Articles of Association and those of the various companies of the Group.

This Regulation was approved by the Parent Company Shareholders' Meeting on 15 April 2010 and, subsequently, in order for it to be adopted, was presented to the Shareholders' Meetings of the individual companies of the Group so that each of them could independently approve it as the basis for their own operations.

On 12 January 2011, the individual companies of the Group amended their own articles of association to make specific reference to the exercise of direction and coordination, pursuant to Articles 2497 and 2497-*bis* of the Italian Civil Code, by the Parent Company Fiera Milano SpA, as well as to judge the possibility for the Parent Company to centralise the management and, in the interest of the entire Group, specific functions for the subsidiaries as part of a shared services policy.

On 23 April 2013, the Shareholders' Meeting of the Parent Company approved the integration of the Regulation with a recommendation that the members of the Board of Statutory Auditors of the Parent Company, in line with best practice on this matter, should be appointed as Statutory Auditors in the Boards of Statutory Auditors of the subsidiaries. The aim of this change was to rationalise and simplify the organisation and to create important synergies that would guarantee greater efficiency and efficacy of the control systems to the benefit of the whole Group.

12. Changes subsequent to the end of the financial year under review

There have been no changes to the corporate governance of the Company since the end of the financial year under review.

Tables

The two tables on the following pages summarise the Company's adoption of the main corporate governance aspects of the Self-regulatory Code.

The first table gives the structure of the Board of Directors and its internal committees. It lists the Directors and the category to which they belong (executive, non-executive and independent). It also shows the composition of the various committees.

The second table gives the composition of the Board of Statutory Auditors. It lists the members of the Board, both standing and substitute, and indicates if they have been nominated from lists put forward by non-controlling interests.

Both tables give information on the number of meetings held by the Board of Directors, the various committees and by the Board of Statutory Auditors and the attendance rate of each individual member. The tables also show the number of administrative positions held in other companies; these have also been detailed in this Report.

BOARD OF DIRECTORS													Internal Control and Risk Committee		Remuneration Committee	
Position	Constituent	Year of birth	Date first appointed	Duration of appointment	List	Executive	Non-executive	Independent under the Code	Indep. under the Consol. Finance Act (TUF)	*	No. of other positions held**	***	*	***	*	
Chairman	Michele Perini	1952	27.10.2003	a	b		X				18/19	1				
Chief Executive Officer	Enrico Pazzali	1964	16.04.2009	a	b	X					19/19	/				
Deputy Vice Chairman	Attilio Fontana	1952	16.04.2009	a/e	b		X	X	X		17/19	/			X	3/3
Vice Chairman	Renato Borghi	1948	29.10.2006	a	b		X	X	X		18/19	/	X	8/11		
Director	Roberto Baitieri	1966	16.04.2009	a	b		X	X	X		17/19	/	X	9/11		
Director	Pier Andrea Chevallard	1951	08.02.2010	a	b		X	X	X		17/19	/				
Director	Davide Croff	1947	28.10.2012	c/d	/		X	X	X		16/19	2	X	11/11		
Director	Giampietro Omati	1940	16.04.2009	a	b		X	X			19/19	1			X	3/3
Director	Romeo Robiglio	1931	27.10.2003	a	b		X		X		17/19	1			X	3/3
											Board of Directors	Internal Control and Risk Committee	Remuneration Committee			
Number of meetings held in the financial year to 31 December 2014											19	11	3			

NOTE

* This column shows the attendance rate of Directors at Board Meetings and at Committee meetings as a percentage of the total number of meetings (no. of times attended/ no. of meetings held during the period of appointment of each member).

** This column shows the number of other appointments held in listed companies, banks or insurance companies.

*** An "X" in this column indicates that the member of this committee is also a member of the Board of Directors.

a Appointed by the Shareholders' Meeting of 27 April 2012 for a three-year period ending with the approval of the Financial Statements at 31 December 2014.

b Appointed from the only list presented, which was that of the controlling shareholder Fondazione E. A. Fiera Internazionale di Milano.

c Co-opted by the Board of Directors on 29 October 2012 to replace Mr Michele Motterlini who resigned. The appointment was subsequently ratified by the Shareholders' Meeting of 23 April 2013 for the period ending with the approval of the Financial Statements at 31 December 2014.

d Chairman of the Internal Control and Risk Committee

e Chairman of the Remuneration Committee

TABLE 2: STRUCTURE OF THE BOARD OF STATUTORY AUDITORS

BOARD OF STATUTORY AUDITORS								
Position	Constituent	Year of birth	Date first appointed	In office from/until	List	Independent under the Code	(%) [*]	Number of other positions held ^{**}
Chairman	Stefano Mercurio	1963	15/04/2010	a/b	c	X	14/14	23
Statutory Auditor	Alfredo Mariotti	1946	27/10/2003	a	c	X	14/14	24
Statutory Auditor	Damiano Zazzeron	1962	27/10/2003	a/d	c	X	12/14	13
Substitute Auditor	Pietro Pensato	1939	27/10/2006	a	c			
Substitute Auditor	Antonio Guastoni	1951	15/04/2009	a	c			

Number of meetings held in the financial year to 31 December 2014	14
Quorum required for the presentation of lists of nominees	2.50%

NOTE

^{*} This column shows the attendance rate of the statutory auditors at the meetings of the Board of Statutory Auditors (no. of times present/ no. of meetings held during the period of appointment)

^{**} This column shows the number of appointments as director or statutory auditor held, in accordance with Article 148 bis of the Consolidated Finance Act.

a Appointed by the Shareholders' Meeting of 27 April 2012 for a three-year period ending with the approval of the Financial Statements at 31 December 2014.

b Appointed as Chairman of the Board of Statutory Auditors by the Shareholders' Meeting of 27 April 2012.

c Appointed from the only list presented, which was that of the controlling shareholder Ente Autonomo Fiera Internazionale di Milano.

d Appointed as a Standing Statutory Auditor by the Shareholders' Meeting of 27 April 2012.