

“ANNEX” to the Management Report

REPORT
ON CORPORATE GOVERNANCE AND OWNERSHIP STRUCTURE
pursuant to Art. 123-bis of the Consolidated Law on Finance

(“Traditional” administration and control model)

ASTM S.p.A.
www.astm.it

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ANNEX

Annex 1: “Main features of the existing risk management and internal audit systems with regard to the financial reporting process”, pursuant to Article 123-bis, paragraph 2, letter b) of the Consolidated Law on Finance.

GLOSSARY

Code/Code of Conduct: the Code of Conduct of listed companies, as approved in December 2011 by the Corporate Governance Committee and promoted by Borsa Italiana S.p.A., ABI, Ania, Assogestioni, Assonime and Confindustria.

Civ. cod./c.c.: the Italian Civil Code.

Board: the Issuer's Board of Directors.

Issuer/ASTM: the issuer of securities referred to in this Report.

Financial Year/year: the financial year referred to in this Report.

Consob Regulation on Issuers: the Regulation issued by Consob by Resolution no. 11971 of 1999 (and subsequent amendments) concerning issuers.

Consob Market Regulation: the Regulation issued by Consob by means of Resolution no. 16191 of 2007 (and subsequent amendments) concerning markets.

Consob Related Parties Regulation: the Regulation issued by Consob by means of Resolution no. 17221 of 12 March 2010 (and subsequent amendments) concerning transactions with related parties.

Report: the report on corporate governance and ownership structure that the companies have to prepare pursuant to Article 123-bis of the Consolidated Law on Finance.

Consolidated Law on Finance/TUF: Legislative Decree no. 58 of 24 February 1998.

1. ISSUER'S PROFILE

The Issuer was incorporated on 28 November 1928, with the aim of building a motorway between Turin and Milan. On 30 November 1929, the Ministerial Agreement for its construction and operation was finally signed.

The motorway was opened on 25 October 1932, after 30 months of work.

The Issuer - that was admitted to listing on the Turin Stock Exchange as from 19 June 1969 - was subsequently listed also on the Milan Stock Exchange as from 25 February 1970.

Following its incorporation, the Company significantly expanded its managed network.

In February 2002 - following the split of ASTM - the company SIAS (Società Iniziative Autostradali e Servizi S.p.A.) was incorporated and listed on the Stock Exchange; the equity investments held in licensees refer to SIAS.

As from 1 January 2004, the Issuer transferred to SATAP S.p.A. - in which it held 99.50% of the share capital - the business unit concerning assets, liabilities and legal relations that were directly carried out until that moment within the motorway sector under concession, as well as the licence for the Turin-Milan motorway section.

Afterwards, as a consequence of the corporate reorganisation that was completed in July 2007 – and thanks to which ASTM could increase the equity investment in SIAS, thus achieving 61.705% of the share capital – the equity investments held in the motorway companies' sector, including SATAP S.p.A., were concentrated within the SIAS Group.

With regard to the said structure the Issuer, as from 25 January 2013, changed its name into ASTM S.p.A. and, following the Board's Resolution dated 10 June 2013, changed its corporate purpose as from 13 June 2013, in order to strengthen its competitive position in both the domestic and international markets, in line with the activities carried out by the main competitors at European level. More specifically, this change aims at achieving the following objectives, if so allowed by market conditions and in presence of favourable opportunities: (i) industrial integration of the motorway business with the sectors linked to the construction and management of big infrastructures and/or public works and to the implementation of related instrumental and supplementary activities; and (ii) investment in other sectors with significant value creation opportunities for the shareholders of ASTM.

To this regard, in November 2013 ASTM, in line with the new corporate strategy, decided to diversify its investment portfolio in the "construction sector", by subscribing a reserved share capital increase approved by the associated company Itinera S.p.A. (controlled by Argo Finanziaria S.p.A. unipersonale, which also controls ASTM), for a total amount of approximately EUR 30 million, and by acquiring an equity investment equal to approximately 17% of the share capital of the company.

Therefore, at present (and given its new structure) ASTM mainly operates:

- i) in the motorway sector through the subsidiaries Società Autostrada Torino-Alessandria-Piacenza S.p.A., Società Autostrada Ligure Toscana p.A., Autocamionale della Cisa S.p.A., Autostrada Torino-Savona S.p.A., Società Autostrade Valdostane S.p.A., Autostrada dei Fiori S.p.A., Autostrada Asti-Cuneo S.p.A., which manage approximately 1,016 km of the Italian motorway network. The jointly controlled companies Autostrada Torino-Ivrea-Valle d'Aosta S.p.A.,

Tangenziale Esterna S.p.A., Società di Progetto Brebemi S.p.A. and the associated companies Società Italiana per il Traforo Autostradale del Frejus S.p.A., Società Italiana per il Traforo del Gran San Bernardo S.p.A. and Road Link Holding Ltd manage 440 km of motorway network in Italy and abroad;

- ii) in the technology sector, through the subsidiaries SINELEC S.p.A. and Euroimpianti Electronic S.p.A.;
- iii) in the construction sector (maintenance and enhancement activities of the motorway infrastructure, mainly on behalf of Group licensees), through the subsidiary ABC Costruzioni S.p.A. and the associated company Itinera S.p.A.;
- iv) in the engineering sector (study, planning and works management for railway and motorway works) through the subsidiaries Sina S.p.A., Sineco S.p.A., Cisa Engineering S.p.A..

As prescribed by the “traditional” administration and control model, the Issuer is managed by a Board of Directors and supervised by a Board of Statutory Auditors. These boards have the powers and functions set out by the Italian Civil Code, special laws and the Articles of Association.

The Shareholders’ Meeting represents the entirety of the shareholders and takes decisions - on an ordinary and extraordinary basis - on the issues that fall under its responsibilities in compliance with the law.

Please refer to the following sections contained in this report for further details on operation, composition and powers of the above-mentioned corporate bodies.

This Report aims at providing description of the corporate governance system and of compliance with the Code, by showing the recommendations that were implemented and those that were considered inapplicable, since they did not comply with the current management and organisational model.

This Report, which has been drawn up pursuant to Art. 123-bis of the Consolidated Law on Finance, takes into account the explanatory criteria and methods contained in the format issued by Borsa Italiana S.p.A. in January 2013.

2. INFORMATION ON OWNERSHIP STRUCTURE (pursuant to art. 123-bis, paragraph 1 of the Consolidated Law on Finance)

As at 6 March 2014

a) Share capital structure (pursuant to art. 123-bis, paragraph 1, letter a) of the Consolidated Law on Finance)

The share capital, that has been subscribed and paid-up, amounts to EUR 44,000,000 and consists of 88,000,000 ordinary shares without par value, traded on the MTA, in the FTSE Italia Mid Cap Index.

Pursuant to articles 2357-ter and 2359-bis of the Italian Civil Code, as at today's date the voting right is suspended with regard to 3,563,839 treasury shares of the Company and 21,500 ASTM shares held by the subsidiary ATIVA S.p.A..

The Issuer meets the requirements set out in articles 36 and 37 of the Market Regulation concerning the trading of own shares on the Italian regulated market.

More specifically, the application requirements set out by art. 36 are not met, considering that the Issuer does not have foreign subsidiaries in its investment portfolio.

Similarly, the requirements set out in art. 37 are met, assuming that the Issuer i) which is subject to the management and coordination activities of Argo Finanziaria S.p.A. unipersonale, has sent to the Chamber of Commerce of Turin the notice required by art. 2497-bis of the Italian Civil Code, by the deadlines required by law; ii) has an independent negotiating ability with customers and suppliers; iii) does not have a centralised treasury service; iv) all Board's Committees are made up of independent directors, pursuant to the Code and the Consolidated Law on Finance.

No other financial instruments were issued, which grant the right to subscribe newly-issued shares, nor share-based incentive plans were approved (stock option, stock grant, etc.) that imply increases in share capital (as well as scrip issues).

b) Restrictions on the transfer of securities (pursuant to art. 123-bis, paragraph 1, letter b) of the Consolidated Law on Finance)

There are no restrictions on the transfer of securities, such as limits to the holding of securities or the need to obtain approval by the Issuer or other securities' holders.

Pursuant to art. 6 of the Articles of Association, shares are registered if required by law; otherwise, if fully paid, these can be registered shares or bearer shares, at the choice and expense of the shareholder.

c) Significant equity investments in the share capital (pursuant to art. 123-bis, paragraph 1, letter c) of the Consolidated Law on Finance)

The Persons who hold - directly or indirectly and for more than 2% - the share capital subscribed that is represented by shares with voting rights, according to the records contained in the shareholders' register, as supplemented by the communications received pursuant to art. 120 of the Consolidated Law on Finance and by other available information, are included in the summary of Table 1 contained in the Appendix.

d) Securities granting special rights (pursuant to art. 123-bis, paragraph 1, letter d) of the Consolidated Law on Finance)

The Issuer did not issue securities granting special control rights.

e) Employee shareholding: procedure for the exercise of voting rights (pursuant to art. 123-bis, paragraph 1, letter e) of the Consolidated Law on Finance)

The Issuer did not approve any employee shareholding scheme with regard to its share capital.

f) Restrictions on voting right (pursuant to art. 123-bis, paragraph 1, letter f) of the Consolidated Law on Finance)

There is no restriction on voting right.

The Issuer has only issued ordinary shares and there are no shares with voting rights other than ordinary shares.

g) Agreements between shareholders (pursuant to art. 123-bis, paragraph 1, letter g) of the Consolidated Law on Finance)

No agreement was signed between shareholders, pursuant to art. 122 of the Consolidated Law on Finance.

h) Change of control clauses (pursuant to art. 123-bis, paragraph 1, letter h) of the Consolidated Law on Finance) and provisions contained in the Articles of Association concerning take-over bids (pursuant to art. 104, paragraph 1-ter, and art. 104-bis, paragraph 1)

Some loan agreements contain normal clauses setting out, subject to the consent of lenders, the obligation to repay the debt in advance if the company SIAS or the parent company Aurelia s.r.l. lose control over the relevant licensee company(ies) and/or subsidiary(ies). Moreover, this clause is included (i) in the majority of ISDA agreements governing derivative contracts (signed by the Group companies in order to prevent the risk from interest rate fluctuations) and (ii) in some indemnity agreements concerning guarantees issued by Group companies.

The "Standard Agreements" in force, which were signed by the licensee companies controlled by the Sias Group, set out the requirements to which the new controlling entity must comply in case of a change of control of the licensee. More specifically:

- for the licensees Società Autostrada Torino-Alessandria-Piacenza S.p.A. (A4 and A21 stretches), Autostrada Torino-Ivrea-Valle d'Aosta S.p.A., Autocamionale della Cisa S.p.A. and Autostrada Asti – Cuneo S.p.A., the requirements are listed below:
 - (i) integrity, balance sheet strength, professionalism and reliability with regard to compliance with the obligations resulting from contracts signed with public administrations;
 - (ii) compliance with the requirements set out by the so-called "anti-mafia regulations";
 - (iii) keeping the registered office of the Licensee in Italy (only with regard to Autostrada Asti – Cuneo S.p.A. and Autocamionale della Cisa S.p.A.);
- for the licensees Autostrada Torino-Savona S.p.A, Autostrada dei Fiori S.p.A., Società Autostrada Ligure Toscana p.A. and Società Autostrade Valdostane S.p.A., the requirements are listed below:
 - (i) suitable capitalisation (the shareholders' equity resulting from the last financial statements duly approved and certified should be equal to at least 1/8 of the shareholders' equity of the Licensee as at 31 December of the previous financial year);
 - (ii) registered office in a country that is not included in the list of countries subject to a privileged tax system;

- (iii) keeping the registered office of the Licensee in Italy, as well as preserving its organisational ability, by making sure that the Licensee has the necessary tools and instruments in order to comply with the obligations set out in the agreements;
- (iv) the members of the management body comply with the requirements of professionalism and, if required, independence pursuant to Legislative Decree no. 58/98, as well as with the requirements of integrity for stock exchange listing set out by the regulations of the country in which the Company has its registered office.

However, the change of control is subject to the previous approval of the Grantor, without prejudice to compliance with the said requirements.

The Issuer's Articles of Association neither contain derogations with regard to passivity rule provisions set out in art. 104, paragraphs 1 and 2 of the Consolidated Law on Finance, nor set out the implementation of the neutralisation rules set out in art. 104-bis, paragraphs 2 and 3 of the Consolidated Law on Finance.

i) Delegations to increase share capital and authorisations to purchase treasury shares (pursuant to art. 123-bis, paragraph 1, letter m) of the Consolidated Law on Finance)

The Extraordinary Shareholders' Meeting held on 20 April 2012 gave the delegation to the Board of Directors to increase the share capital against payment and in one or more tranches, within 24 months of the date of the Meeting's resolution, for a maximum amount of EUR 500 million (including any share premium), through the issue of ordinary shares with the same characteristics of outstanding ones and regular entitlement, to be offered to those entitled. This power, which has not been exercised, not even partially, was given as part of the reorganisation and consolidation project of the equity investments' portfolio of ASTM and in connection with the acquisition of the whole equity investment in IGLI S.p.A. and, indirectly, of 29.96% of the share capital with voting right of Impregilo S.p.A..

Following participation of the Company in the take-over bid launched in April 2013 by Salini S.p.A. with regard to the ordinary shares of Impregilo, there was no more interest in the said power, which was revoked by the Extraordinary Shareholders' Meeting held on 10 June 2013.

On the same date, the Ordinary Shareholders' Meeting approved to purchase and dispose of treasury shares in order to achieve the following objectives:

- to operate on the market, in compliance with current regulations in force;
- to have a portfolio of treasury shares that can be used for any extraordinary financial transaction or for any other commitment of financial, management and/or strategic interest for the Company;
- to offer to the shareholders a further monetisation instrument of their investment.

Purchase transactions - which are authorised for 18 months starting from the date of the resolution - can be made until achieving a maximum of 17,600,000 ordinary shares (equal to 20% of the share capital), while no time limits have been defined for disposal transactions.

Purchase and disposal transactions of treasury shares - to be carried out according to the methods, terms and conditions set out by accepted market practices and in compliance with current regulations in force -

shall be carried out by taking into account the following: i) 3,344,226 treasury shares in portfolio as at the date of the Meeting's resolution, and ii) 21,500 shares (equal to 0.024% of the share capital) held by the subsidiary ATIVA S.p.A..

The purchase price of the shares shall not be lower than 10% and not higher than 10% of the reference price recorded on the stock market trading day before each single purchase transaction.

For the disposal and/or use of treasury shares, the Board will define, on each occasion, the criteria in order to set the price, having taken into account the price trend of the shares in the period before the transaction and the best interest of the Company.

With regard to the above, on 10 June 2013 the Board of Directors, having taken into account ASTM shares already in portfolio (i.e. approximately 3.8% of the share capital), approved the launch of the purchase plan of treasury shares, by authorising the acquisition up to a maximum of a further 3,520,000 ASTM shares, thus achieving approximately 7.8% of the share capital.

As notified to the market during the periodic communications, 219,613 treasury shares have been purchased as a result of the said resolutions (equal to 0.25% of the share capital), for a total amount of EUR 2,255 thousand.

With regard to the above, as of today's date ASTM holds 3,585,339 shares, equal to 4.074% of the share capital (3,563,839 shares directly and 21,500 indirectly through the subsidiary ATIVA S.p.A.).

D) Management and coordination activities (pursuant to art. 2497 et seq. of the Italian Civil Code)

The Issuer is subject to the management and coordination activities of ARGO FINANZIARIA S.p.A. unipersonale.

It is specified that:

- the information required by Art. 123-bis, paragraph 1, letter i) ("*the agreements between the company and the directors [...] providing for indemnities in case of resignation or removal without just cause or termination following a take-over bid*") is contained in the remuneration report published in compliance with art. 123-ter of the Consolidated Law on Finance;
- the information required by Art. 123-bis, paragraph 1, letter l) ("*the rules for the appointment and replacement of Directors [...], as well as for the amendment of the Articles of Association, if different from the supplementary legal and regulatory rules*") is detailed in the report section concerning the Board of Directors (Section 4.1).

3. COMPLIANCE (pursuant to art. 123-bis, paragraph 2, letter a) of the Consolidated Law on Finance)

The Issuer's corporate governance model is substantially in line with the Code of Conduct of listed companies, which was issued in 1999 and subsequently updated in 2002, 2006 and 2011.

In December 2011, the Corporate Governance Committee - in the light of the regulations introduced in the last years and the recent national and international best practices - published a new Code of Conduct (which can be viewed on Borsa Italiana's website www.borsaitaliana.it). With regard to the latter, the

Board took decisions concerning the transposition/implementation of the related recommendations by the end of FY 2012, as set out by Borsa Italiana S.p.A..

The Issuer's governance model takes into account the company size, the ownership structure, as well as the sector.

The Issuer and its subsidiaries with strategic importance are not subject to foreign law provisions that affect the Issuer's corporate governance structure.

4. BOARD OF DIRECTORS

4.1. APPOINTMENT AND REPLACEMENT (pursuant to art. 123-bis, paragraph 1, letter l) of the Consolidated Law on Finance)

Following the resolution of the Shareholders' Meeting on 16 January 2013 the provisions of the Articles of Association governing the appointment of the Management Body have been updated in order to ensure gender parity, pursuant to the current legal and regulatory provisions.

With regard to the above, pursuant to art. 16 of the Articles of Association, the Issuer is managed by a Board composed of a number of members ranging between seven and fifteen, according to the decision taken by the Shareholders' Meeting, by ensuring a number of independent directors, as well as gender parity, as required by law.

The whole Board of Directors is appointed on the basis of the lists submitted by the Shareholders; the candidates – who are listed by a sequence number – have to comply with the requirements of integrity provided for by applicable law.

The lists submitted by the shareholders shall be filed at the registered office within the terms and according to the methods set out by current regulations.

Each Shareholder can draw up or submit only one list.

Each list shall include a number of candidates not exceeding the maximum number of Directors set out by the Articles of Association and, upon filing at the registered office, shall include i) information concerning personal and professional details of the candidates; ii) the written acceptance of the candidature and the declaration that the candidate does not belong to other lists; as well as iii) any other document provided for by applicable law. Each list shall include at least two candidates who comply with the independence requirements set out by the current regulations, by indicating them separately and including one of these at the first place in the list. The lists with three or more candidates shall also include, pursuant to the information provided in the notice of call, candidates of both genders, so as to ensure compliance with the current regulations on gender parity.

Only shareholders who - alone or together with others - hold shares representing the shareholding in the share capital, as set out by law, have the right to submit lists. The legal title to the above-mentioned shareholding shall be proved according to the methods and timescales set out by law.

The list that does not comply with the above-mentioned provisions shall be considered as “not submitted”.

Each person entitled to vote may vote only one list.

The procedure for the appointment of the Board's members is described below:

- a) four-fifths of the Directors to be appointed are chosen from the list that obtains the majority of votes expressed by the persons entitled to vote, in the order in which they are listed, rounding off in case of fractional number;
- b) the remaining Directors are chosen from other lists; to this purpose, the votes obtained by the lists are subsequently divided by one, two and three, according to the number of Directors who shall be elected. The ratios obtained are progressively assigned to the candidates of each list, according to their related order. The ratios assigned to the candidates of the lists are listed in a single ranking and those with the highest ratios are elected.

If more candidates obtain the same ratio, the one belonging to the list with no Directors - or with the smallest number of Directors - appointed, shall be elected. In the event of a tie in list votes - and therefore in ratios - the Meeting shall vote again and the candidate who obtains the simple majority of votes is elected.

If, as a result of the said procedure, the composition of the Board of Directors does not ensure gender parity, the candidates who are elected in the lists are included in one single ranking, which is created according to the ratio system described in the previous paragraph b). The candidate belonging to the most represented gender and with the lowest ratio among the candidates of all lists is replaced – while respecting the minimum number of independent directors – by the first candidate that has not been elected, belonging to the less represented gender in the same list as the replaced candidate.

If the candidates of different lists obtain the same ratio, the candidate belonging to the list with the highest number of directors will be replaced.

However, even if, despite the replacement of the candidate belonging to the most represented gender and with the lowest ratio, it is not possible to achieve the minimum threshold set out by the current regulations on gender parity, the above-mentioned replacement is carried out also for the candidate of the most represented gender with the penultimate ratio, and so on and so forth starting from the bottom of the ranking. If the above-mentioned procedure is not applicable, the replacement is made by the Shareholders' Meeting according to legal majorities, in compliance with the principle of proportional representation of minorities within the Board of Directors.

If no list is submitted or accepted or, for any reason, it is not possible to appoint one or more Directors according to the provisions set out in the Articles of Association, the Shareholders' Meeting passes resolutions according to law majorities, so as to ensure, pursuant to current regulations, the presence of Directors who comply with independence requirements, as well as compliance with the provisions of regulations in force with regard to gender parity.

If, during the financial year, one or more Directors cease to hold office, reference is made to law provisions in force, by appointing, according to a progressive order, the candidates from the list of the Director who ceased to hold office, who are still eligible and willing to accept the office, in any case by ensuring, pursuant to current regulations, the necessary number of independent directors, as well as gender parity.

If, in case of resignation or other reasons, the majority of Directors appointed by the Meeting fails, the whole Board shall resign and its termination shall be effective from the moment when the Board of

Directors will be re-established, following the appointments made by the Meeting that shall be convened as soon as possible.

The Directors are in office for the time agreed by the Meeting (in any case, not more than three financial years) and can be re-appointed; the persons appointed during this period shall fall from office together with those members who were already in office upon their appointment.

The Shareholders' Meeting approves the annual fee payable to the members of the Board of Directors; this fee is valid also for the financial years following the one for which it was approved, until a new decision is taken by the Shareholders' Meeting.

The considerations for those directors holding specific offices are established, on each occasion, by the Board, having consulted the Board of Statutory Auditors, pursuant to art. 2389 of the Italian Civil Code. The members of the Board of Directors are entitled to reimbursement of the costs incurred to carry out their duties.

Succession planning

Having taken into account the current corporate structure with one reference Shareholder, the Board of Directors decided not to adopt a succession planning policy for executive directors, since it was deemed inappropriate to identify persons or criteria for their selection before the actual need to replace an executive director arises.

4.2. MEMBERS (pursuant to art. 123-bis, paragraph 2, letter d) of the Consolidated Law on Finance)

The Board in office until 10 June 2013 was appointed by the Ordinary Shareholders' Meeting on 28 April 2010 for the financial years 2010-2011-2012 (i.e. until the approval of the financial statements as at 31 December 2012), according to the 3 filed lists:

- list no. 1 (representing the minority) submitted by Assicurazioni Generali S.p.A., holding 4.992% of the share capital, which includes 3 candidates (Sergio Duca, Matteo Rocco, Vittorio Fini);
- list no. 2 (representing the majority) submitted by Argo Finanziaria S.p.A., holding 50.579% of the share capital, which includes 12 candidates (Riccardo Formica, Daniela Gavio, Enrico Arona, Nanni Fabris, Cesare Ferrero, Giuseppe Garofano, Marcello Gavio, Alberto Sacchi, Alvaro Spizzica, Agostino Spoglianti, Luigi Roth, Stefano Viviano);
- list no. 3 (representing the minority) submitted by Fondazione Cassa di Risparmio di Torino, holding 2.59% of the share capital, which includes 1 candidate (Alfredo Cammara).

The minimum shareholding in the share capital required in order to submit lists was set out by Consob by means of Resolution no. 17148 of 27 January 2010 and is equal to 2.5%.

Upon presentation, both minority lists also included the statement certifying that there are no relations with reference shareholders, as set out by the regulatory and legal provisions in force.

Given that, prior to voting, the Shareholders' Meeting set out that the members of the Management Body to be elected should have been 15, and based on the calculation method set out in article 16 of the Articles of Association in force at that time, the following candidates were elected as Directors:

Riccardo Formica (appointed as Chairman during the meeting), Daniela Gavio, Enrico Arona, Nanni Fabris, Cesare Ferrero, Giuseppe Garofano, Marcello Gavio, Alberto Sacchi, Alvaro Spizzica, Agostino Spoglianti, Luigi Roth, Stefano Viviano (i.e. all 12 candidates of the list submitted by Argo Finanziaria S.p.A. unipersonale), Sergio Duca and Matteo Rocco (i.e. the first two candidates of the list submitted by Assicurazioni Generali S.p.A.), Alfredo Cammara (i.e. the only candidate of the list submitted by Fondazione Cassa di Risparmio di Torino).

With regard to voting, out of a total of 54,296,719 shares present at the meeting (equal to 61.70% of the share capital), the list of Argo Finanziaria was voted by 46,479,798 shares, the list of Assicurazioni Generali was voted by 4,393,276 and the list of Fondazione Cassa di Risparmio di Torino was voted by 2,277,562 shares.

1,146,083 shares voted against or abstained with regard to the three lists.

For each voting, the list with the names of the Shareholders and their votes is included in the meeting's minutes of 28 April 2010, that have been published on the website under section "corporate governance".

During the Board's meeting held on 13 May 2010, two Vice-Chairmen were appointed (Daniela Gavio and Marcello Gavio), as well as a Managing Director (Enrico Arona) and any related management power was granted to them.

Following the death of the Chairman Riccardo Formica in December 2011, the Ordinary Shareholders' Meeting held on 20 April 2012 appointed Mr. Gian Maria Gros-Pietro as Chairman.

On 22 June 2012, the Board of Directors – while redefining the corporate management of the Group's companies – appointed Mr Alberto Sacchi as Managing Director, given that Mr Enrico Arona refrained from exercising the management powers granted to him. However, Mr Enrico Arona held the office of Director.

As at 22 June 2012, the Director Matteo Rocco resigned from his office and Mr. Luigi Bomarsi was coopted in his place on 6 December 2012 by the Board of Directors, with the approval of the Board of Statutory Auditors; he was subsequently confirmed by the Ordinary Shareholders' meeting held on 16 January 2013 until the end of the administrative appointment.

With regard to the date of first appointment of the other members of the Board, the following is noted: Alberto Sacchi (Ordinary Shareholders' Meeting of 3.05.1991), Daniela Gavio (Ordinary Shareholders' Meeting of 27.04.1994), Enrico Arona and Alvaro Spizzica (Ordinary Shareholders' Meeting of 27.06.1996), Agostino Spoglianti and Cesare Ferrero (Ordinary Shareholders' Meeting of 4.05.2001), Nanni Fabris (Ordinary Shareholders' Meeting of 29.04.2004), Alfredo Cammara and Giuseppe Garofano (Ordinary Shareholders' Meeting of 10.05.2007), Sergio Duca, Marcello Gavio, Luigi Roth and Stefano Viviano (Ordinary Shareholders' Meeting of 28.04.2010). As part of the previous administrative structure, the following Directors were independent in compliance with the application criterion 3.C.1. of the Code: Alfredo Cammara, Sergio Duca, Nanni Fabris, Cesare Ferrero, Giuseppe Garofano, Luigi Roth. The Directors Alfredo Cammara, Sergio Duca, Cesare Ferrero, Giuseppe Garofano and Luigi Roth stated to be independent pursuant to article 148, paragraph 3 of the

Consolidated Law on Finance.

Table 2.1 in the appendix includes a summary of the information concerning the members of the said Board and any related Committee.

The Board in office was appointed by the Ordinary Shareholders' Meeting held on 10 June 2013 for the financial years 2013-2014-2015 (i.e. until the approval of the financial statements as at 31 December 2015), based on the only list submitted by Argo Finanziaria S.p.A. unipersonale, which holds 50.579% of the share capital, and including 15 candidates: Gian Maria Gros-Pietro (appointed Chairman during the Shareholders' Meeting), Stefania Bariatti, Luigi Bomarsi, Caterina Bima, Flavio Dezzani, Cesare Ferrero, Giuseppe Garofano, Daniela Gavio, Marcello Gavio, Barbara Poggiali, Luigi Roth, Alberto Rubegni, Alberto Sacchi, Stefano Viviano, Marco Weigmann.

The minimum shareholding in the share capital required in order to submit lists was set out by Consob by means of Resolution no. 18452 of 30 January 2013 and is equal to 2.5%.

Having established that the Management Body to be elected should have 15 members, all above-mentioned candidates became members of the Issuer's Board of Directors.

With regard to voting, out of a total of 64,643,492 shares present at the meeting (equal to 73.46% of the share capital), 57,880,279 shares voted in favour and 6,763,213 shares voted against.

The list with the said votes is attached to the meeting's minutes of 10 June 2013, which have been published on the website under section "corporate governance".

The Directors Caterina Bima, Flavio Dezzani, Giuseppe Garofano, Barbara Poggiali, Luigi Roth and Marco Weigmann confirmed compliance with the independence requirements set out in article 3 of the Code and in article 148, paragraph 3 of the Consolidated Law on Finance. The Director Cesare Ferrero confirmed compliance only with the requirements set out in the said article 148, paragraph 3 of the Consolidated Law on Finance.

During the meeting held on 10 June 2013, the Board defined the organisational chart of the company, by confirming two Vice-Chairmen (Daniela Gavio and Marcello Gavio), as well as the Managing Director (Alberto Sacchi) and any related management powers.

Table 2.2 in the appendix includes a summary of the information concerning the members of the Board and any related Committee.

As can be inferred from the short bibliographical notes detailed below, the Directors have adequate professional experience - with regard to legal, technical, economic and financial subjects - as well as specific skills through which they actively participate and contribute to the works and decisions of the Board:

Gian Maria Gros-Pietro: (born in Turin on 4 February 1942) - He is professor of Corporate Economy at the University LUISS Guido Carli of Rome (Corporate and Management dept.). He is the author of several economic-industrial publications. From 1965 to 2004, he was professor of several Applied

Economy subjects at the University of Turin. From 1974 to 1995 he was President of the Istituto di Ricerca sull'Impresa e lo Sviluppo (Institute for Economic Research on Firms and Growth), the main economic body of the Consiglio Nazionale delle Ricerche (National Research Council), and provided support to several Ministries on major economic and industrial matters.

Daniela Gavio: (born in Alessandria on 16 February 1958) - She obtained a degree in Medicine (Surgery) at the University of Genoa. She acquired expertise in corporate management matters mainly within the Gavio Group, with particular reference to the motorway concession, general building and construction, logistics and transport sectors.

Marcello Gavio: (born in Alessandria on 8 October 1967) - After obtaining a diploma as Surveyor at the Istituto Tecnico per Geometri in Tortona, he acquired expertise in corporate management matters mainly within the Gavio Group, with particular reference to motorway companies, building, general constructions, logistics and transport sectors.

Alberto Sacchi: (born in Tortona - AL - on 14 March 1960) - He obtained a degree in Economics and Business at the University of Pavia and acquired expertise in corporate management matters mainly within the Gavio Group - where he works since 1984 - with increasing responsibilities in the strategic planning and corporate sectors.

Stefania Bariatti: (born in Milan on 28 October 1956) - She obtained a degree in Law at the University of Milan, where she is Professor of International Law. She is counsel at the Chiomenti law firm. As of 2010, she holds the office of Director at Fondazione Tecnomed - Università degli Studi di Milano-Bicocca, and at CNPDS Onlus (Centro Nazionale di Prevenzione e Difesa Sociale). At international level, from 1999 to 2007 she represented the Italian Government at the Hague Conference on Private International Law during the works concerning some international conventions. Moreover, she is author of more than a hundred publications on Private International Law, European Union Law and International Law.

Luigi Bomarsi: (born in Castiglione della Pescaia - GR - on 8 February 1959) – He obtained a degree in Economic and Banking Science at the University of Siena. He is a chartered accountant and is enrolled in the Register of Auditors. Since 2003 he has worked for the Gavio Group.

Caterina Bima: (born in Borgo San Dalmazzo - CN - on 30 January 1960) - She obtained a degree in Political Science (specialising in international political science) and one in Law at the University of Turin. She is a Notary Public in Turin, specialising in the corporate sector.

Flavio Dezzani: (born in Asti on 8 January 1941) - He obtained a degree in Economics and Business at the University of Turin. Since 2012, he is Professor Emeritus of Business Economics at the Economics division of the University of Turin. He is Director of the Istituto di Economia aziendale e di Ragioneria (Institute of business economics and accountancy) at the University of Turin and he is also member of the Accademia Italiana di Economia Aziendale (Italian academy of business economics). Moreover, he is a chartered accountant and is the author of several publications on financial statements/corporate business. He is also member of the Board of Statutory Auditors of some financial companies and banking institutes, as well as Chairman of the Technical-Scientific Committee of OIC (Italian Accountancy Board).

Cesare Ferrero: (born in Turin on 2 November 1936) - He obtained a degree in Economics and Business at the University of Turin. He is enrolled in the Register of Chartered Accountants and in the Register of Auditors. He is a chartered accountant, focusing in particular on corporate matters, including tax consultancy, contracts and civil/criminal-law consultancy with regard to corporate and balance sheet matters. Moreover, he is Director/Auditor of major companies.

Giuseppe Garofano: (born in Nereto - TE - on 25 January 1944) - He obtained a degree in Chemical Engineering at the Politecnico of Milan, as well as a S.D.A. diploma in Business Economics at the Bocconi University of Milan (Business Administration master). He has a broad professional experience and holds top-level positions in chemical, banking and financial companies.

Barbara Poggiali: (born in Milan on 4 March 1963) - She obtained a degree in Materials Engineering at the Massachusetts Institute of Technology. She has gained extensive managerial experience, holding management and corporate offices in major Italian and foreign companies (some of which are also listed).

Luigi Roth: (born in Milan on 1 November 1940) – He obtained a degree in Economics and Business at the Bocconi University of Milan. He is enrolled in the Register of Auditors and gained experience in corporate management thanks to top-management positions at major companies (mainly in the transport sector). He is a columnist for several newspapers and operates in the social sector, acting as Director in several charitable foundations.

Alberto Rubegni: (born in Pisa on 15 March 1951) - He obtained a degree in Civil Engineering (Structures division). He gained experience by holding management positions and the offices of Chairman and/or Managing Director in leading infrastructure and construction companies.

Stefano Viviano: (born in Genoa on 21 June 1976) – He obtained a degree in Business Economics (specialising in Finance) at the Bocconi University in Milan. He has been working for the Gavio Group since 2005, where he acquired experience especially in the field of Group finance.

Marco Weigmann: (born in Turin on 20 May 1940) - He obtained a degree in Law at the University of Turin. He is leading partner at the Tosetto, Weigmann e Associati law firm, specialising in civil and commercial law and, in particular, in the corporate sector. He has been member of the Camera Arbitrale Nazionale ed Internazionale (National and international Arbitration Court) of Milan, as well as Board member of the Turin Lawyer Council. Now he is member of the Piedmont arbitration Court and of various non-profit civil bodies, as well as Director of major companies (some of which also listed).

The detailed *curricula* of the members of the Board are available on the Issuer's website (under section "corporate governance").

Maximum number of offices held in other companies

In January 2008, the Issuer adopted the procedure aimed at identifying the maximum number of offices as director or auditor in other companies listed on regulated markets (including foreign markets), in financial, banking, insurance or large enterprises. In November 2012, the said procedure was reviewed in order to set out some evaluation criteria for the calculation of offices.

The directors accept the office by taking into account, in their duties, the limits set out by the said procedure (available on the website under section "corporate governance), which takes into consideration the level of commitment implied in each position, also with regard to the nature and size of the companies in which offices are held, as well as whether or not these belong to the Group. Large enterprises are defined as follows:

- a) Italian companies with shares listed on Italian or foreign regulated markets;
- b) Italian or foreign companies with shares that are not listed on regulated markets and which operate in the insurance, banking, financial brokerage, managed savings or financial sectors;
- c) Italian or foreign companies other than those described in the previous paragraphs a) and b) which, individually or at group level in case they draw up the consolidated financial statements, show i) revenue from sales and services higher than EUR 500 million; and ii) balance sheet assets higher than EUR 800 million, based on the last duly approved financial statements.

Having taken into account the commitment implied in each single position, the following maximum limits on administration or control offices that can be held in large enterprises, as defined above, were established:

1. Executive Directors with management powers: 4
2. Executive Directors without management powers: 6
3. Non-executive directors: 8

With regard to the calculation of offices:

- those positions held in companies directly and/or indirectly controlled by ASTM, as well as in its Parents are not taken into account;
- substitute auditor offices, as well as administration and control offices held in associations, foundations, consortium companies, consortia and unlisted cooperatives are not taken into account;
- in order to identify large enterprises pursuant to paragraph c), the item "revenue from sales and services" means income from ordinary operations;
- in case of offices held in companies belonging to the same group and if the director holds a similar office in the parent company and in companies under its control and included in its scope of consolidation, the identification of large enterprises is to be carried out, for the parent company, on the basis of the consolidated financial statements and, for subsidiaries, based on the related separate financial statements, also in case that the latter, as sub-holding companies, draw up their own consolidated financial statements;
- in case of offices held in large enterprises belonging to the same group, the weight given to each of the offices - except for the first one - is reduced by half and, in any case, the fact of holding several positions within the same group shall not imply a total "weight" higher than 2.

However, the Board is allowed to grant derogations (including temporary ones) for exceeding of the above-mentioned limits.

The list attached to Table 2.2 shows the offices held by some Directors, in view of the above-mentioned parameters and criteria.

Induction Programme

In October 2013, having taken into account the new members of the Management Body, a dedicated meeting was organised in order to present the ASTM Group and its related core business, with specific reference to the motorway, planning and engineering sectors. Moreover, during the meetings of the Board of Directors, the Directors and the Auditors are timely and constantly informed by the Chairman and the Managing Director about the main legal and regulatory developments concerning the Issuer and the Group. Having considered the industrial holding activities carried out by ASTM, special attention is paid to the purchase and disposal of equity investments and the motorway segment, so that it is possible to have an updated framework on the corporate activities and dynamics under way/that are being assessed, in order to take proper decisions.

4.3. ROLE OF THE BOARD OF DIRECTORS (pursuant to art. 123-bis, paragraph 2, letter d) of the Consolidated Law on Finance)

The Board in office until 10 June 2013 held 8 meetings that were attended on average by 91.66% of the members and by 89.58% of the independent Directors.

As from the said date, the Board in office held 6 meetings that were attended on average by 96.67% of the members and by 91.66% of the independent Directors.

The average duration of each meeting was approximately 1 hour and a half.

With regard to FY 2014 - as detailed in the annual schedule of corporate events sent to Borsa Italiana S.p.A. in January 2014 - at least 4 meetings have been forecast to approve the financial statements, the first and third intermediate management reports, as well as the half-yearly financial report.

Since the beginning of FY 2014 three meetings have already been held, although two of them are not included in the above-mentioned schedule.

The Chairman and the Managing Director have always made sure that Directors and Auditors could receive the documents about the agenda well in advance of each single board's meeting.

To this regard, the Board, pursuant to the Code and having taken into account both the operating dynamics of the Company and the Group and the organisational/management structure, decided to lay down a deadline of two working days, except for cases of urgency and confidentiality of price-sensitive information.

Moreover, the Chairman ensures that each item on the agenda is dealt with thoroughly, by encouraging discussion, which is useful in order to take decisions.

To this end, the Chairman can ask that the executives of Group Companies and the managers of corporate functions take part in the meeting, in order to thoroughly analyse the issues on the agenda.

In any case, the General Manager takes part in the Board's meetings, thus offering his expertise and knowledge. Upon approval of the annual and interim accounting documents, the General Manager also participates as "manager in charge of drawing up the corporate accounting documents".

So that the greatest number of Directors can participate in the corporate activities pursuant to art. 19 of the Articles of Association, it is possible to take part in the meetings by attending at distance, using conference call or videoconference systems that ensure promptness and efficiency of the flow of information.

Powers and authorities of the Board

Pursuant to art. 21 of the Articles of Association, the Board is endowed with broad and unrestricted powers for the ordinary and extraordinary administration of the company and has the authority to carry out all actions (including acts of disposal) that it deems necessary to achieve the corporate purpose, with the sole exception of those which the law expressly reserves to the Meeting.

The Management Body is responsible for the examination and approval of strategic, industrial and financial plans of ASTM and its Group; having also taken into account the information provided by the Managing Director - with regard to the exercise of his/her management powers - the Management Body constantly assesses the general results of operations.

With reference to the specific powers set out by the Code, the Board monitors the adequacy of the organisational, administrative and accounting structure of the Issuer and the subsidiaries with strategic importance (only Sina S.p.A. and Igli S.p.A.). SIAS was not included (nor its subsidiaries), based on the provisions issued by Borsa Italiana S.p.A. and contained in the notes to the Code, where *“the principle of management autonomy is guaranteed if the subsidiary is also listed”*.

In January 2008, the Board approved that the examination of the following significant transactions carried out by the Issuer or the subsidiaries and that have an impact on the company’s strategic, economic and financial position and results, shall fall under its responsibilities:

- 1) the issuance of financial instruments, for a total value higher than EUR 10 million;
- 2) the granting of guarantees, for amounts higher than EUR 10 million;
- 3) merger and split-off transactions, where at least one of the involved companies is not a subsidiary of the ASTM Group;
- 4) acquisition or disposal of real estate whose value is equal or higher than EUR 5 million;
- 5) acquisition or disposal of equity investments (in one or more tranches), companies or business units, fixed assets and other assets, whose transaction value is equal or higher than EUR 30 million (for subsidiaries) or EUR 100 million (for ASTM);
- 6) any other transaction that, according to the competent Bodies of a subsidiary, has an impact on the strategic, economic and financial position and results of ASTM S.p.A..

With the aim of strengthening the risk audit and management system, on 10 June 2013 the Board reviewed the said transactions and decided:

- to include, among "particularly significant" transactions, the granting of loans to entities other than subsidiaries (for amounts higher than EUR 10 million, if this is proportional to the shareholding or for amounts higher than EUR 5 million if this is not proportional to the shareholding) and the

signing of derivative contracts for amounts higher than EUR 10 million and which do not exclusively aim at hedging corporate risks;

- that more detailed information is necessary with regard to the issue of guarantees;
- to decrease the current threshold for the acquisition/dismissal of companies, business units and equity investments by ASTM S.p.A., from EUR 100 million to EUR 10 million;
- with regard to transactions carried out by subsidiaries, to decrease the current threshold for the acquisition/dismissal (i) of companies and business units (from EUR 30 million to EUR 10 million) and (ii) of equity investments (from EUR 30 to EUR 5 million);
- having taken into account corporate operations and in order to eliminate any possible procedure uncertainties, to eliminate the reference to acquisition/dismissal transactions of "fixed assets" and "other assets".

With regard to the above, and based on the current procedure, the following transactions are considered as "particularly significant":

- a) the issuance of financial instruments, for a total value higher than EUR 10 million;
- b) the granting of loans to entities other than Subsidiaries, for amounts higher than EUR 10 million, if this is proportional to the shareholding or for amounts higher than EUR 5 million if this is not proportional to the shareholding;
- c) the signing of derivative contracts i) which have an amount higher than EUR 10 million as notional value, and ii) which do not only aim at hedging corporate risks (by way of example only, interest rate, exchange and raw material hedging);
- d) the granting of personal guarantees and/or collaterals in favour of entities other than the Company or Subsidiaries, for amounts higher than EUR 10 million;
- e) merger or split-off transactions, where at least one of the involved companies is not a subsidiary;
- f) acquisition or disposal of real estate whose value is equal or higher than EUR 5 million;
- g) acquisition or disposal of companies or business units, whose transaction value is equal or higher than EUR 10 million;
- h) acquisition or disposal of equity investments, incorporation of new companies and transactions which involve new contributions that are not proportional to the shareholding ("new contributions" means share capital increase subscription, payments towards future share capital increase, payments to cover losses) for which the value of the transaction/contribution for the Company is equal or higher than EUR 10 million (equal or higher than EUR 5 million for transactions carried out by subsidiaries), as well as the signing of agreements for the exercise of rights related to these equity investments and transactions which can involve, during their development or at their end, commitments and/or purchase agreements and/or disposal agreements of this kind and of this extent. The purchase of treasury shares made according to the authorisation given by the Shareholders' Meeting, pursuant to current regulations, is not considered as a transaction for the acquisition of equity investments;
- i) any other transaction that, according to the competent Bodies of a subsidiary, has an impact on the strategic, economic and financial position and results of ASTM S.p.A..

With reference to the above-mentioned aspects - and for a correct implementation of the procedure within the ASTM Group - the Board immediately notified any relevant information.

As regards the decisions taken by the Board on the identification of significant transactions with related parties and implementing procedures, reference should be made to the specific information contained in paragraph 12. "Directors' interests and transactions with related parties".

Assessment on the size, composition and functioning of the Board

The Directors carried out the usual annual assessment of the size, composition and functioning of the Board and its Committees, in compliance with the Code.

To this regard and at the Chairman's initiative, in January 2014 an inquiry was launched with all members of the Management Body, based on a questionnaire to be filled out concerning the themes under review.

In general, a positive assessment of the functioning of the Board and Committees emerged from the questionnaire.

With regard to the industrial holding activity carried out by the Company, the Directors believe that the number of directors in the Board is adequate for the size and structure of the corporate organisational system and that the Board's members have adequate professional experience concerning legal, technical, economic and financial subjects, through which they ensure all necessary skills and knowledge required to achieve the strategies and purposes of both ASTM and the Group, also having taken into account their seniority.

In particular, the Directors - with specific reference to corporate operations and the objectives achieved in 2013 - underlined that they took part in corporate management activities and actively contributed to the works and decisions, as confirmed by their participation in the meetings.

In this regard, the documents and information on the subjects assessed by them were generally provided well in advance of each single meeting, so as to allow them to adequately prepare.

The Board has been updated on the ordinary and extraordinary operations of the Company, on significant events, as well as on initiatives under assessment and those carried out by the Delegated Bodies in the exercise of their management powers.

This was also made possible thanks to the assistance and help provided by the Audit and Risk Committee and the Remuneration Committee that, as part of their powers, supported the Board's assessment and decision-making activities.

Non-competition clause pursuant to art. 2390 of the Italian Civil Code

The Meeting did not grant derogations with regard to the non-competition clause pursuant to art. 2390 of the Italian Civil Code.

4.4. DELEGATED BODIES

Managing Director

As already mentioned in section 4.2. "*Members*", during the meeting held on 10 June 2013 the Board reappointed Mr. Alberto Sacchi as Managing Director, who was given the following management

powers, in line with the previous administrative appointment: to carry out all actions included in the corporate purpose, subject to the limitations set out by law and the Articles of Association, except for the following actions that need to be previously authorised by the Board of Directors: i) sell, exchange and transfer real estate in incorporated companies or under incorporation, ii) transfer, sell, award and generally dispose of the equity investments held in subsidiaries, so as to reduce the investments below 50.1% of the share capital.

Moreover, he also has the power to appoint and revoke appointment of proxies and attorneys, as well as to promote and support legal actions on behalf of the Company – acting as both claimant or defendant – at any court (civil, penal or administrative) and at any level of jurisdiction.

Chairman

In order to ensure maximum efficiency in corporate activities, on 10 June 2013 the Chairman was granted the following powers, to be exercised with separate signature: i) to define the agenda of the Board of Directors' meeting, in agreement with the Managing Director; ii) to supervise the implementation of the resolutions made by the Board of Directors and the Executive Committee, if present; iii) to provide for external communication, together with the Managing Director; iv) to file lawsuits, requests and complaints, promote and support legal actions on behalf of the company – acting as both claimant or defendant – at any court (civil, penal or administrative) and at any level of jurisdiction, both in Italy and abroad, including the Constitutional Court, the Court of Cassation, the Council of State, the Higher Public Water Court, the regional Courts and any other Court (including special ones) also with regard to revisions and third-party proceedings, as well as the European Court of Justice, to appoint and revoke lawyers and solicitors; v) to represent the Company during the meetings of companies, associations, boards and bodies who do not form joint-stock companies, of which the Company is a shareholder or a member entitled to delegate another person; and vi) to sign corporate mail and the documents related to the office and the exercise of his powers.

Vice-Chairmen

For reasons of management efficiency, the operations of Vice-Chairmen were aligned with those of the Chairman, by granting similar powers to be exercised with separate signature, in case of absence or impediment of the Chairman.

General Management

In May 2005, the organisational structure of the Company was implemented with the appointment of a General Manager, Mr. Graziano Settime (Administrative and Financial Manager). Based on the powers granted to him in March 2006 – which were subsequently revised in August 2012 – he has the following tasks: i) to prepare the organisational, financial, industrial and commercial plans of the Company, in compliance with the general guidelines of the Board, which shall be previously examined by the Chairman and/or the Managing Director; ii) to coordinate the activities of Company Managements and supervise the organisation of employees, by defining their tasks and abilities, as well as to adopt

disciplinary measures in compliance with current rules, the national collective agreement and the corporate trade union agreements.

As part of the current and ordinary corporate management, expense limits have been defined, among which: i) EUR 1,000,000 to negotiate and sign contracts; ii) EUR 5,000,000 to purchase, sell and subscribe credit instruments and equity investments other than those related to subsidiaries or associated companies, pursuant to Art. 2359 of the Italian Civil Code; iii) EUR 10,000,000 to subscribe and terminate policies of any kind.

Executive Committee (pursuant to art. 123-bis, paragraph 2, letter d) of the Consolidated Law on Finance)

Based on the current organisational and operating structure of the Issuer, the Board of Directors has not appointed an Executive Committee.

Information to the Board

The Chairman and the Managing Director reported to the Board of Directors and the Board of Statutory Auditors, during each single meeting and at least on a quarterly basis, on the activities carried out in the exercise of their powers, on the general management performance and its outlook, as well as on the most significant economic and financial transactions made by the Company or its subsidiaries.

4.5. OTHER EXECUTIVE DIRECTORS

In the light of the definition contained in the application criterion 2.C.1. of the Code and the current administrative structure, the Sole Director of the "strategic subsidiary" IGLI S.p.A. Stefano Viviano holds the office of executive director, in addition to the Chairman, the Vice-Chairmen and the Managing Director.

4.6. INDEPENDENT DIRECTORS

As shown above, the 6 Directors confirmed compliance with the independence requirements set out by the Code, upon presentation of the lists (and the acceptance of the candidature). Compliance with these requirements, also having heard the opinion of the Board of Statutory Auditors, was positively assessed by the Board following the appointment and during the usual annual assessment made in February 2014. The said Directors undertook to report to the Issuer on any change of the information provided upon acceptance of the candidature, among which their independence.

In the framework of its specific powers and authorities, the Board of Statutory Auditors favourably examined and verified the correct application of the assessment criteria and procedures adopted by the Board to assess the independence of its members.

Independent Directors' Meeting

The meeting of the Independent Directors was held in December 2013. Following the assessment, they

positively assessed the operations and composition of the Management Body, whose members have professional profiles and knowledge suitable in order to achieve the strategies and aims of the Company and the Group.

In this context, they expressed their favourable opinion on the existing information flow that enables them to monitor corporate activities and the internal audit system of ASTM and its main investees, also thanks to the cooperation of the corporate management and the staff responsible for this subject. To this regard, they welcomed the position taken concerning the definition of the deadline for the information given before the Board's meeting.

It was acknowledged that the Board is regularly updated on the ordinary and extraordinary administration of the Company, on significant events, as well as on initiatives under assessment and those carried out in the exercise of management powers.

Reference was also made to the precious contribution given by the Audit and Risk Committee, the Remuneration Committee and the Supervisory Body, which periodically report on the results of their activities, in the framework of their powers and authorities, and support the Board's decisions in case they comply with the requirements.

4.7. LEAD INDEPENDENT DIRECTOR

The current organisational structure of the Board, with regard to the distribution and allocation of management powers, complies with the principles contained in the Code, according to which the company management should be divided from the office of Chairman. For this reason, there is no need to appoint a lead independent director among independent directors.

5. MANAGEMENT OF CORPORATE INFORMATION

During the financial year under review, the Chairman and the Managing Director, in cooperation with the General Manager and Administrative and Financial Manager (who is also investor relations' supervisor), have been in charge of the management of corporate information, with particular reference to price-sensitive information.

The disclosure of documents and information on the Company and its subsidiaries has been carried out - in agreement with the Chairman and the Managing Director - by the Board's Secretariat and the Corporate Bodies' Office with regard to communications to the relevant Authorities and the Shareholders and by the investor relations' supervisor for press releases and information to institutional investors.

With the implementation of the "Organizational, management and control models pursuant to Legislative Decree no. 231/01", the Board adopted the procedure for the "management of confidential information", whose disclosure is carried out by means of a network connection with Borsa Italiana S.p.A. (SDIR-NIS) and whose access is protected by passwords which are only known to the Board's Secretariat.

With regard to the hypothesis of "insider trading", as from 1 April 2006 the Issuer and its subsidiaries created a register of individuals who have access to inside information, in accordance with the terms and

conditions set out by Consob regulation.

The said register is managed according to a specific IT procedure prepared for that purpose.

With regard to the Internal Dealing procedure - with effect from the above-mentioned date - the Corporate Bodies' Office is responsible for the receipt, management and diffusion on the market of those transactions - equal or higher than EUR 5,000 - carried out with regard to the Issuer's security and the related financial instruments by "significant parties", as identified by the current legal requirements.

In order to promptly comply with disclosure requirements, a document entitled "*Transactions carried out by significant parties and persons closely related to them*" was drawn up and given to "significant parties". This document contains all legal and regulatory provisions that constitute the regulatory framework, as well as the terms and conditions for communications to Consob, Issuer and market.

During 2013, the Issuer transmitted via the SDIR-NIS system 2 internal dealing notices concerning transactions carried out, with regard to the Issuer's financial instruments, by the Managing Director Alberto Sacchi and, with regard to the financial instruments of the subsidiary SIAS S.p.A. (listed on the MTA), by the Vice-Chairman Marcello Gavio.

6. BOARD OF DIRECTORS' INTERNAL COMMITTEES (pursuant to art. 123-bis, paragraph 2, letter d) of the Consolidated Law on Finance)

Following renewal of the Management Body by the Ordinary Shareholders' Meeting held on 10 June 2013, the Board – during the meeting held on the same date – appointed the Remuneration Committee and the Audit and Risk Committee. Their members comply with the provisions set out in the Code, since they all meet independence requirements.

The Board decided neither to appoint the Appointment Committee nor other Committees, for the reasons described below.

7. APPOINTMENT COMMITTEE

In line with the assessments made in the past - and with reference to the 2011 Code - the Board has not deemed it necessary to create an internal Appointment Committee, assuming that the appointment of Directors is carried out by means of list voting, in compliance with the terms and conditions set out in art. 16 of the Articles of Association.

8. REMUNERATION COMMITTEE

Composition and functioning of the Remuneration Committee (pursuant to art. 123-bis, paragraph 2, letter d) of the Consolidated Law on Finance)

Until 10 June 2013, the Remuneration Committee (which is made up of the non-executive independent directors Nanni Fabris, Cesare Ferrero and Giuseppe Garofano) held one meeting attended by all members and by the whole Board of Statutory Auditors. During this meeting, the Remuneration Committee supported the Board of Directors in the adoption of the general remuneration policy (approved by the Ordinary Shareholders' Meeting held on 10 June 2013).

The Remuneration Committee is currently made up of the Directors Marco Weigmann (Chairman),

Caterina Bima and Luigi Roth, the latter having adequate knowledge and experience in financial and remuneration policy matters.

The Committee is convened - upon request of its members - by the Board's Secretariat, that also draws up the minutes of each single meeting.

The Committee in office held two meetings that were attended by all members and also by the Auditors. One meeting has already been held in 2014, in order to evaluate some proposals concerning the Issuer's remuneration policy, which will be submitted to the annual Shareholders' Meeting convened for the approval of 2013 financial statements. No other meetings have been planned up to now.

Pursuant to the recommendations contained in the Code, the Directors do not attend the Committee's meetings during which proposals are made to the Board with regard to their remuneration.

Functions

In compliance with the Code, the Remuneration Committee has the power to: i) submit proposals to the Board concerning remuneration policies for directors and key management personnel; ii) periodically assess adequacy, general coherence and practical implementation of remuneration policies adopted for directors and key management personnel, by making use (with regard to this latter point) of the information provided by managing directors, as well as to make proposals to the Board on this subject; iii) make proposals or express opinions to the Board on the remuneration of executive directors and other directors holding specific offices, as well as on the performance objectives related to the variable portion of this remuneration; iv) monitor the implementation of the decisions adopted by the Board by assessing, in particular, the achievement of performance objectives.

By exercising these powers, in 2013 the Committee supported the Board in order to i) define the general remuneration policy, as well as the fees approved ii) for those persons holding corporate offices (Vice-Chairmen and Managing Director), iii) for the "director responsible for the internal audit and risk management system", iv) for the members of the Audit and Risk Committee and the Supervisory Body.

The economic proposals made by the Committee, with the favourable opinion of the Audit and Risk Committee (with regard to the Managing Director's fee) and the Board of Statutory Auditors, were shared and approved by the Board. The interested parties abstained from the decision.

The Committee - that, to date, has decided not to make use of the advice of external consultants - has access to the necessary corporate information and functions and does not have a specific spending budget in order to carry out its duties.

9. DIRECTORS' REMUNERATION

General Remuneration Policy

In March 2014, based on the proposal of the Remuneration Committee, the Board approved the Issuer's remuneration policy, which is mainly in line with the one approved on 8 April 2013. This issue is thoroughly described in the "Remuneration Report" (prepared in compliance with Article 123-ter of the Consolidated Law on Finance and with the provisions issued by Consob by means of Resolution no.

18049 of 23 December 2011), which is available on the company's website ("Corporate governance" section), as well as on Borsa Italiana S.p.A.'s website.

To sum up, with regard to remuneration policies, the Issuer established fixed wages for its directors with management powers (including executive ones) and excluded variable wages.

The remuneration policies set out by the Company aim at offering remunerations that attract, retain and stimulate people with adequate knowledge and capabilities, with the aim of creating value in the medium/long-term for all Shareholders.

With regard to the above and according to the current remuneration policy of the Issuer, the Shareholders' Meeting approves the annual fee payable to the members of the Board; this fee is valid also for the financial years following the one for which it was approved, until a new decision is taken by the meeting.

The members of the Board are entitled to reimbursement of the costs incurred to carry out their duties.

Except for the fees approved by the Shareholders' Meeting, the remunerations for those persons holding corporate offices are established by the Board upon proposal of the Remuneration Committee and having consulted the Board of Statutory Auditors, pursuant to art. 2389 of the Italian Civil Code, as well as by the Audit and Risk Committee if requirements are met, pursuant to the procedure on transactions with related parties.

As stated above, the Board sets out also the remuneration for the members of the Supervisory Body and the Committees that have been created in compliance with the Code.

Share-based remuneration plans

The current corporate policy does not provide for share-based remuneration plans.

Remuneration of executive directors

No remuneration is provided for executive directors, which is significantly linked to the achievement of specific - also non-economic - performance objectives.

Remuneration of key management personnel

By reference to the definition contained in Annex 1 of the Consob Related Parties Regulation, the Issuer did not identify any key management personnel.

Incentives for the internal audit manager and the manager in charge of drawing up the corporate accounting documents

In line with the principles and values of the Issuer's remuneration policy, no incentives are set out for the internal audit manager and the manager in charge of drawing up the corporate accounting documents.

Remuneration of non-executive directors

No remuneration is provided for non-executive directors which is linked to the economic results

achieved by the Issuer.

Directors' indemnity in case of resignation, dismissal or termination of the employment relationship following a take-over bid (pursuant to art. 123-bis, paragraph 1, letter i) of the Consolidated Law on Finance)

The Issuer and the Directors did not sign agreements for indemnities in case of resignation, dismissal or termination of the employment following a take-over bid.

10. AUDIT AND RISK COMMITTEE

Composition and functioning of the Audit and Risk Committee (pursuant to art. 123-bis, paragraph 2, letter d) of the Consolidated Law on Finance)

During the previous administrative appointment, the Audit and Risk Committee, which is made up of the non-executive independent directors Sergio Duca, Cesare Ferrero and Nanni Fabris, held three meetings until 10 June 2013.

The current Committee is made up of the non-executive independent directors Giuseppe Garofano, Barbara Poggiali and Flavio Dezzani, the latter acting as Chairman and having adequate experience in accounting, financial and risk management matters.

Following the appointment, the Committee held 4 meetings.

The Chairman of the Board of Statutory Auditors or another Auditor appointed by the Chairman took part in all Committee's meetings held in 2013. The duration of the meetings was proportionate to the issues dealt with. All members of the Board of Statutory Auditors are invited to take part in the meetings.

Having taken into account that the Committee reports to the Board on a quarterly basis (during the meetings held in order to approve the annual and interim accounting documents), at least 4 meetings have been planned for 2014, except for further meetings for any preliminary assessment of transactions with related parties.

Three meetings have been held since the beginning of the financial year.

The Committee is convened - upon request of its members - by the Board's Secretariat.

Functions

The Committee assisted the Board in carrying out the tasks assigned to the latter with regard to internal audit issues, by having access to all necessary corporate information and functions.

The Committee carries out all tasks set out in Code 1, i.e. a) together with the manager in charge of drawing up the corporate accounting documents and having heard the statutory auditor and the board of statutory auditors, it assesses the correct use of accounting standards and, in case of groups, their uniformity with regard to the preparation of the consolidated financial statements; b) it expresses opinions on specific aspects concerning the identification of the main corporate risks; c) it evaluates the periodic reports on the assessment of the internal audit and risk management systems and those of significant importance prepared by the internal audit function; d) it monitors the autonomy, adequacy,

efficacy and effectiveness of the internal audit function; e) it asks the internal audit function to carry out controls on specific operating areas, by notifying this to the chairman of the board of statutory auditors; f) it reports to the board on its activity and the adequacy of the internal audit and risk management system at least on a half-yearly basis, at the time of approval of the annual and half-yearly financial reports.

To this end, the Committee also made use – based on the related action plan – of the reports which are drawn up on a quarterly basis by the Issuer and the subsidiaries and contain the data and information concerning the most representative corporate areas and business segments.

This working method allows monitoring the main significant events of the period under review, the changes in the organisational structures and the sector legislation of each single company, the activities carried out by the independent auditors, the Boards of Statutory Auditors and the Supervisory Bodies. Particular attention is paid to the identification and management of corporate risks, with specific reference to financial and tax risks.

This activity has been supported by the internal audit supervisor, as well as by the results of the assessments made by the Independent Auditors.

The Committee does not have a specific spending budget.

According to the procedure on transactions with related parties, the Committee is in charge of analysing, in advance and upon compliance with the requirements, any transactions with related parties, in order to support the Board's resolutions.

11. INTERNAL AUDIT AND RISK MANAGEMENT SYSTEM

The Board of Directors is responsible for the internal audit and risk management system; thanks to the support given by the Committee, it identifies its policies and regularly assesses its suitability and effectiveness, ensuring that the main corporate risks are identified and managed in a manner coherent with the strategic objectives.

In order to monitor the achievement of the Group's strategies and purposes, the Boards of Directors of the investee companies alternatively include the Vice-Chairmen, the Managing Director and some Issuer's Directors who are expert in specific sectors.

Moreover, the "internal audit supervisor" and the "manager in charge of drawing up the corporate accounting documents", as well as the "Project 231" and the "Control model 262" contributed to safeguarding the principles of proper and efficient management.

With reference to the above-mentioned aspects and as part of the usual annual assessment, made in March 2014, the Board believes that the internal audit system of both the company and the Group is structured and organised so as to ensure effectiveness of corporate transactions, reliability of financial information, compliance with current law and safeguard of corporate assets.

With specific regard to the main features of the existing risk management and internal audit systems concerning the (consolidated) financial reporting process, if applicable, reference is made to Annex 1.

11.1. DIRECTOR RESPONSIBLE FOR THE INTERNAL AUDIT AND RISK MANAGEMENT SYSTEM

In August 2012 the Board, in compliance with the Code, appointed the Chairman as the “director responsible for the internal audit and risk management system”.

With regard to the said appointment, the Chairman, together with the Audit and Risk Committee, reviewed the identification, assessment and monitoring system of the risks to which the Company and the Group are exposed, as part of specific meetings that were also attended by the members of the Board of Statutory Auditors.

This activity was divided into four different stages: i) to define strategic objectives; ii) to identify risks; iii) to evaluate risks; and iv) to carry out control and monitoring activities.

The risks that have been identified were subsequently classified into uniform categories.

An assessment of the "probability" that each risk occurs has been made, as well as of the "impact" that each risk could have on the achievement of strategic objectives. The said assessment was also made in terms of "pertinence" (risk in case there are no activities aimed at reducing corporate risks) and "residual character" (risk that remains even after the management has carried out the activities in order to reassess it). A significant decrease of the “inherent” risk emerged from this analysis (from medium-high to medium-low in terms of “residual” risk).

In November 2012, the said assessment was shared by the Board, which approved the definition of the type and level of risk that is compatible with the strategic objectives of the Company.

In June 2013, following the renewal of the Management Body, the Director Luigi Bomarsi was appointed as "director responsible for the internal audit and risk management system" who, together with the Audit and Risk Committee, carried out an assessment of corporate risks. In August 2013, this assessment was shared also by the Management Body in office, in line with previous Board's resolutions.

11.2. INTERNAL AUDIT MANAGER

In November 2012 the Board, upon proposal of the "director responsible for the internal audit and risk management system" and having obtained the favourable opinion of the Audit and Risk Committee, as well as the opinion of the Board of Statutory Auditors, appointed Mr. Alberto Carnevale Mijno of Protiviti s.r.l. as “internal audit manager”. As part of its institutional tasks, Protiviti s.r.l. already provides support to the activities of the “manager in charge of drawing up the corporate accounting documents” and the Supervisory Body.

The professional profile of Mr. Carnevale was considered suitable and qualified in order to carry out his tasks, given his deep knowledge in internal audit matters acquired by following the implementation/execution of internal audit activities with leading Italian companies (some of which listed) on behalf of market-leading consulting firms.

With regard to his task, the “internal audit manager” prepared the “2013-2015 Audit Plan” (that fully entered into force as of 1 January 2013), which identifies the areas/processes subject to assessment and monitoring, also taking into account the results from i) the risk assessment activities carried out in 2012;

ii) the analysis of high risk areas/processes carried out with the management; and iii) the assessments made in previous financial years with regard to the provisions set out in Law no. 262/2005 and in Legislative Decree no. 231/2001.

Based on the relevance of the risks, the priorities of action and the audit activities have been defined and planned, by identifying the companies, processes and systems, as well as the type of audit actions and objectives and the timescale of each Plan intervention, which involves the parent company ASTM and the subsidiaries Sina S.p.A., Sineco S.p.A. and Igli S.p.A..

The audit plan (which also includes meetings with the internal audit manager of the subsidiary SIAS, which leads the Group motorway sector), having heard the Audit and Risk Committee, the Board of Statutory Auditors and the “director responsible for the internal audit and risk management system”, was approved in December 2012 by the Board in office at that time and subsequently shared and confirmed in August 2013 by the Board in office.

The internal audit manager was granted an annual gross remuneration, as well as an economic fund amounting to EUR 30 thousand, which can be integrated by the Chairman and/or the Managing Director upon request of the interested party and subject to the approval of the Board.

As set out by the Code, the “internal audit manager” reported on the results of the assessments to the Chairman of the Board of Statutory Auditors, the Audit and Risk Committee and the “director responsible for the internal audit and risk management system”. Updated information on the progress of the activities set out in the said plan was provided to the Board. In March 2014, the latter approved the work programme for FY 2014 as part of the "2013-2015 Audit Plan". This programme obtained the favourable opinion of the Audit and Risk Committee, having heard the Board of Statutory Auditors and the "director responsible for the internal audit and risk management system".

11.3. ORGANISATIONAL MODEL pursuant to Legislative Decree no. 231/2001

With regard to the “Administrative responsibility of Companies”, the “Project 231” - which was carried out during 2004 - aimed at analysing and adapting the organisational, management and control instruments of the Company and its significant subsidiaries to the requirements set out in Legislative Decree no. 231/2001.

With regard to the above-mentioned aspects, both ASTM and the main Group Companies adopted - following specific resolutions - the “organisational, management and control models pursuant to Legislative Decree no. 231/01” and the related “Code of Ethics and Code of conduct”. Moreover, a disciplinary system was created to punish failure to comply with the provisions and principles contained in the said documents.

The models adopted comply with the principles set out in the “Confindustria Guidelines” - which were approved in March 2002 and are considered by the Ministry of Justice as being adequate to achieve the purpose set out in art. 6, paragraph 3 of Legislative Decree no. 231/01 - and were considered compatible, by the related management bodies, with the achievement of the objectives set out in the regulations on the subject.

The Supervisory Bodies were appointed upon the implementation of the said “Project 231” and are responsible for monitoring the function, effectiveness and observance of the “Models” and for updating them. The Bodies are composed of three members (one of whom is the Chairman) who, according to independent judgement principles, report directly to the Board.

Each Body – whose members remain in office for a period similar to that of the Management Body – sets the rules for its own operations and prepares proper regulations.

In carrying out their duties, the Supervisory Bodies work with a major consulting firm that supports them in the periodic assessment procedures established by them.

In 2009, following the analysis carried out by the Supervisory Body, the Board updated the organisational model and the Code of Ethics, in the light of the progressive expansion of the scope of application of Legislative Decree no. 231/2001.

The analysis mainly focused on some specific cases, such as i) market abuse, i.e. “*insider trading*” and “*market manipulation*”; ii) crimes of receiving stolen goods, money laundering, use of criminal money or stolen goods; iii) cyber attacks and unlawful processing of data; iv) transnational crime; and v) offences connected with the breach of rules concerning accident prevention, hygiene at work and safety of workers.

Following the risk assessment, the adequacy of the organisational model with regard to the risks described in points i), ii) and iii) above was confirmed. As regards transnational crime (point iv), it was supposed that the activities carried out by the Issuer are not characterised by risk profiles, for which there are valid reasons to expect that such crimes are committed in the interest, or to the benefit, of the company.

The adjustment process – which took into account the provisions contained in the new “Confindustria Guidelines” published in March 2008 and approved by the Ministry of Justice – focused on the implementation of the measures concerning safety and hygiene at work.

In February 2011, the Board approved a further update of the above-mentioned documents with regard to the offence of “*soliciting not to make statements or to make untrue statements to the judicial authority*”, since the other types were considered as being less probable (“organised crime offences”, “offences against the industrial and commercial sectors”, “copyright infringement offences”).

As a result of a further analysis carried out with the support of the consulting firm Protiviti S.r.l., the Board i) in August 2012 and with reference to the so-called “offences against the environment” that have been introduced by Legislative Decree no. 121/2011, came to the conclusion that the only activity that can be subject to remarks (although irrelevant in the light of the existing control structures) is the one related to the management of ozone-damaging substances that may be contained in the centralised air conditioning system of corporate premises, while ii) in November 2012 and with regard to the “employment of third-country nationals residing without authorisation” (that has been introduced by Legislative Decree no. 109/2012), it deemed it necessary to update the organisational model and the Code of Ethics, by strengthening the ethic related to relationships with employees and by setting out an explicit condemnation of all forms of irregular work.

Finally, in March 2014 and with the favourable opinion of the "Supervisory Body", the Board approved a new update of the organisational model and the Code of Ethics, following the introduction into Legislative Decree no. 231/2001 according to Law dated 6 November 2012, of the "*corruption in the private sector*" crime, while it did not establish any risk profile with regard to the crime of "*malfeasance in public office with regard to giving or promising benefits*".

As at 10 June 2013, the Body (whose members are the Director Sergio Duca, the Standing Auditor Lionello Jona Celesia and Roberto Sanino) held one meeting that was attended by all members.

The Body currently in office (whose members are the Director Cesare Ferrero, the Standing Auditor Lionello Jona Celesia and Roberto Sanino) held one meeting that was attended by all members.

As part of its activities, the Body focused its attention on the assessment of corporate procedures. Following this assessment, no observation or comments were made with regard to failure or error in their application.

As of today, the Board has not considered the opportunity of devolving to the Board of Statutory Auditors the functions of the Supervisory Body.

11.4. INDEPENDENT AUDITORS

Deloitte & Touche S.p.A., with registered office in Milan, Via Tortona 25, enrolled in the legal auditors' register at the Ministry of Economics and Finance, pursuant to Legislative Decree no. 39/2010, carries out audit activities for the Issuer, as mandated by the Shareholders' Meeting on 28 April 2009 for the financial years 2009 to 2017, upon justified proposal of the Board of Statutory Auditors.

11.5. MANAGER IN CHARGE OF DRAWING UP THE CORPORATE ACCOUNTING DOCUMENTS AND OTHER CORPORATE TASKS AND FUNCTIONS

In compliance with art. 21, paragraph 6 of the Articles of Association, on 10 June 2013 the Board – having consulted the Board of Statutory Auditors – re-appointed Mr. Graziano Settime (Administration and Financial Manager of the Issuer) as “manager in charge of drawing up the corporate accounting documents”.

Mr. Settime – who has extensive professional experience in administrative and financial matters and complies with the requirements of integrity required for the position of director – was appointed for the same term of office of the Management Body (i.e. until approval of the 2015 financial statements).

The manager has the power to obtain from the heads of each corporate department any information relevant to carry out his duties, as well as the power to i) structure and organise - within his own activities - the human resources available; ii) talk to the board of directors and statutory auditors, including the participation *ad audiendum* in the Board's meetings held for the examination and approval of accounting documents; iii) talk to the Audit and Risk Committee and the Supervisory Body; iv) take part in the planning of information systems that have an impact on the economic and financial situation.

Moreover, the Board approved funds which can be integrated by the Chairman and/or the Managing Director upon the manager's request, with subsequent ratification by the Board.

As in previous financial years, during 2013 the manager monitored the functioning of the “control model 262”, which was implemented in 2007 – according to a top-down approach – within ASTM and its main subsidiaries, in order to achieve compliance with administrative-accounting procedures concerning the tasks governed by art. 154-bis of the Consolidated Law on Finance.

Moreover, the implementation of the said model also entailed the appointment of specific managers by all Group companies involved.

With a view to the optimisation of controls within the funds made available to each Manager, the assessment of the correct application of the said procedures was carried out, like in previous years, with the help of Protiviti s.r.l., based on the plan drawn up by each single Company, according to which tests shall concentrate in the periods dedicated to the preparation of the financial statements and the half-yearly financial report. The results of these controls mainly confirmed the correct application of the administrative-accounting procedures under review.

The support provided by Protiviti s.r.l. was equal to 37 days/man (11 of which for the activities carried out within ASTM) – in addition to the commitment of Companies’ employees – in line with the estimates made at the beginning of the project.

As part of the procedures concerning the “control model 262”, the Managers of all Group Companies transmitted any related “statement” and “certification” concerning annual and interim accounting documents.

11.6. COORDINATION BETWEEN THE PEOPLE INVOLVED IN THE INTERNAL AUDIT AND RISK MANAGEMENT SYSTEM

As described above, the functions and bodies that make up the Issuer's internal audit system report on the activities carried out in order to comply with their institutional tasks and the related results, according to the methods and deadlines set out by the related legal and regulatory provisions, as well as by the Code’s recommendations providing for their creation.

Moreover, as part of the process of aligning the internal audit system with the Code, the Issuer established the interrelationships and the information flow between the various bodies, in order to maximise the efficiency of the controls carried out to ensure proper risk monitoring and management.

With regard to the said objectives, in the first months of this year ASTM was supported by a major consulting firm in order to track and analyse the information flows between the various structures of the internal audit system, so as to optimise its system in a structured and efficient manner.

12. DIRECTORS’ INTERESTS AND TRANSACTIONS WITH RELATED PARTIES

As from 1 January 2011 the procedure on transactions with related parties has entered into force. This procedure was approved by the Board on 26 November 2010 (and subsequently amended on 9 November 2012) in compliance with the Consob Related Parties Regulation, having obtained the favourable opinion of a dedicated Committee, which is made up of all Independent Directors in office.

The Board of Statutory Auditors ascertained that the procedure is compliant with the said Regulation and acknowledged that it is adequate in order to ensure substantial and procedural transparency and correctness.

The procedure – which is available on the website under section “corporate governance”, as well as on the Borsa Italiana’s website – sets out i) the amounts that, based on specific materiality indexes, allow to identify transactions of lesser or greater importance; ii) the transactions that have been excluded and are not subject to the procedure set out for their approval, except for communication obligations towards Consob, if of greater importance; iii) the transactions carried out by subsidiaries other than SIAS or by subsidiaries of the latter, that shall be subject to approval of the ASTM Board, having heard the opinion of the Audit and Risk Committee.

This category includes:

- a) acquisition or disposal of real estate whose value is higher than EUR 1 million;
- b) merger transactions, division by acquisition or non-proportional division transactions, if a company (which represents related parties’ interests that can be defined as significant, as set out in the procedure) takes part in the transaction;
- c) transactions other than those mentioned above, which have a single value higher than EUR 10 million (such as, by way of example only, acquisitions or disposals of equity investments, companies or business units, or granting of guarantees).

To this end, the management autonomy of the listed subsidiary SIAS remained unchanged, in line with the practice according to which the transactions of SIAS and its subsidiaries are neither analysed nor approved in advance.

For a correct implementation of the procedure within the ASTM Group, any relevant information and operating instructions have been immediately notified to the subsidiaries.

Moreover, for a proper management of the procedure, ASTM’s related parties are recorded in a specific database created on the basis of the register of equity investments and statements made by the related parties.

As already mentioned above, the Audit and Risk Committee will give an opinion on the transactions with related parties, upon compliance with the requirements. For a proper functioning, a replacement system by age has been set out if some members are already involved in specific transactions.

To this end, in November 2013 the Committee, with the professional support of PricewaterhouseCoopers Advisory S.p.A., gave a favourable opinion on ASTM’s interest to subscribe the share capital increase of the associated company Itinera S.p.A. reserved to it, pursuant to article 2441, paragraph 6 of the Italian Civil Code, as well as on the adequacy and substantial correctness of its conditions. The said opinion, together with the Disclosure (which has been prepared pursuant to article 5 of the Consob Related Parties Regulation) was published on the website of ASTM and Borsa Italiana S.p.A., according to the methods and timeframes specified by the law.

In March 2014 the Board - having previously obtained the favourable opinion of the Audit and Risk Committee (in its function of Committee for Related Party Transactions) and in compliance with Consob recommendation, according to which the review of procedures should be assessed at least on a

quarterly basis - approved to amend the Procedure, in order to specify that in the case of duration contracts reference should be made to the total amount, while in the case of contracts with related parties it is not possible to opt for automatic annual renewal.

Any Director who has an interest - potential or indirect - in corporate transactions shall promptly and fully inform the Board, showing willingness to withdraw from the meeting or refrain from any discussion and related resolution, in case such interest is considered “relevant” by the other Directors. However, the Board has the power to take the most appropriate decisions in case transactions are carried out at normal market conditions - on the basis of independent experts’ appraisals - or if the withdrawal from the meeting of the above-mentioned Directors when the resolution is taken gives reason to believe that the necessary constituent quorum may not be reached.

13. AUDITORS’ APPOINTMENT

As already reported for the methods to appoint Directors, also the provisions of the Articles of Association governing the appointment of the Board of Statutory Auditors have been reviewed in order to ensure gender parity, following the resolution of the Shareholders’ Meeting on 16 January 2013.

With regard to the above, pursuant to article 26 of the Articles of Association, the Board of Statutory Auditors is made up of three Standing Auditors and three Substitute Auditors.

In order to ensure that a Standing Auditor and a Substitute Auditor are elected from the minority, the appointment of the Board of Statutory Auditors is carried out according to the lists submitted by the shareholders, in which the names of the candidates are listed and marked with a progressive number.

The list is made up of two sections: one for the candidates for the office of Standing Auditor and the other for the office of Substitute Auditor. In order to comply with current regulations on gender parity, the lists that, having taken into account both sections, have a number of candidates equal or higher than three should include candidates of both genders in the first two places of both the Standing Auditors’ and the Substitute Auditors’ sections.

Only shareholders who - alone or together with others - hold shares representing the shareholding in the share capital, as set out by law, have the right to submit lists. The legal title to the above-mentioned shareholding shall be proved according to the methods and timescales set out by law.

Each shareholder - as well as those shareholders belonging to the same group and those who adhere to a shareholders’ agreement concerning Company’s shares - cannot submit or vote more than one list, neither through a trust company nor a third party. Each candidate may be included in one list only or is declared ineligible.

Those candidates who do not comply with the requirements of integrity and professionalism established by law may not be included in the lists.

At least one Standing Auditor and one Substitute Auditor are chosen among those enrolled in the Auditors’ Register and shall have exercised legal audit activities for not less than three years.

Those Auditors who do not comply with the said requirement are chosen among those who have three year’s experience in:

- a) administration and control activities or executive duties for corporations with a share capital no lower than EUR 2 million; or
- b) professional or tenured university teaching activities in legal, economic, financial and technical-scientific subjects, with regard to the industrial, banking, transport services, logistics, technology and IT sectors; or
- c) management functions at public institutions or administrations operating in the credit, financial, insurance, industrial, transport services, logistics, technology and IT sectors.

The outgoing Auditors can be re-elected.

The submitted lists shall be filed at the registered office of the company within the terms and according to the methods set out by current regulations. Further information is provided in the notice of call.

The declarations by which candidates accept their candidacy and represent that there are no reasons for their ineligibility and incompatibility, together with any document required by law, must be deposited with each list; they also confirm they comply with legislative and statutory requirements.

The list that does not comply with the above-mentioned provisions shall be considered as “not submitted”.

The procedure for the appointment of Auditors is described below:

1. two standing auditors and two substitute auditors are chosen from the list that obtained the highest number of votes at the meeting, according to the order in which they are listed in the sections;
2. the other standing auditor and substitute auditor are chosen from the second list that obtained the highest number of votes at the meeting, according to the order in which they are listed in the sections.

In the event of a tie between two or more lists, the eldest Auditors shall be elected until the maximum number of places available is achieved.

The Board of Statutory Auditors shall be chaired by the candidate proposed by the second list, who obtained the highest number of votes at the meeting; in the event of a tie between two or more lists, the provisions contained in the previous paragraph shall apply.

If the application of the above-mentioned procedure does not allow to comply with the gender parity regulations with regard to Standing Auditors, the ratio to be assigned to each candidate from the Standing Auditors' sections of each list shall be calculated, by dividing the number of votes of each list by the order number of each candidate. The candidate belonging to the most represented gender and with the lowest ratio among the candidates of all lists is replaced by the candidate belonging to the less represented gender and with the following highest order number in the same Standing Auditors' section of the list of the substituted candidate or, subordinately, in the Substitute Auditors' section of the same list of the substituted candidate (who, in this case, will hold the position of the replaced substitute auditor). If the candidates of different lists obtain the same ratio, the candidate belonging to the list with the highest number of auditors will be replaced or, subordinately, the candidate from the list with the lowest number of votes. With regard to the appointment of auditors who, for any reason, are not appointed according to the above-mentioned procedure, the Shareholders' Meeting takes resolutions according to legal majorities and in compliance with the regulations from time to time in force with

regard to gender parity.

The Auditor falls from office if he/she does not comply with legislative and statutory requirements.

In case of substitution of an Auditor, the substitute auditor belonging to the same list of the substituted auditor shall be appointed, so as to comply with the regulations from time to time in force with regard to gender parity and composition of the board of statutory auditors. If the above-mentioned replacement does not allow to comply with the current regulations on gender parity, the Shareholders' Meeting shall be convened as soon as possible so as to comply with such regulations.

In case of integration of the Board of Statutory Auditors following termination of office of one of its members for any reason, the Meeting shall resolve according to the simple majority principle and ensure representation in the Board to the minority, as well as compliance with the current regulations on gender parity.

14. COMPOSITION AND FUNCTIONING OF THE BOARD OF STATUTORY AUDITORS (pursuant to art. 123-bis, paragraph 2, letter d) of the Consolidated Law on Finance)

The Board of Statutory Auditors was appointed by the Ordinary Shareholders' Meeting on 29 April 2011 for the financial years 2011-2012-2013 (i.e. until the approval of the financial statements as at 31 December 2013), according to the 2 filed lists:

- list no. 1 (representing the majority) submitted by the Shareholder Argo Finanziaria S.p.A., holding 50.892% of the share capital, which includes 2 candidates for the office of Standing Auditor (Lionello Jona Celesia and Ernesto Ramojno) and 1 candidate for the office of Substitute Auditor (Roberto Coda);
- list no. 2 (representing the minority) submitted by the Shareholder Assicurazioni Generali S.p.A., holding 4.969% of the share capital, which includes 1 candidate for the office of Standing Auditor (Marco Fazzini) and 1 candidate for the office of Substitute Auditor (Massimo Berni). Upon filing, this list also included the statement certifying that no relations existed with reference shareholders, as set out by the said regulatory provisions issued by Consob, implementing art. 148 of the Consolidated Law on Finance.

According to Consob's provisions set out in Resolution no. 17633 of 26 January 2011, the minimum shareholding in the share capital required in order to submit lists was equal to 2%.

All Auditors confirmed compliance with the independence requirements set out by the Code. The Board of Statutory Auditors is chaired by Marco Fazzini, representing minorities.

With regard to voting, out of a total of 64,649,405 shares present at the meeting (equal to 73.465% of the share capital), the list representing the majority was voted by 46,305,569 shares (400,439 shares abstained and 14,416 shares against), while the list representing the minority was voted by 17,928,981 shares (400,439 shares abstained and 14,416 shares against).

For each voting, the list with the names of the Shareholders and their votes is attached to the meeting's minutes of 29 April 2011 that have been published on the website under section "corporate governance".

The Ordinary Shareholders' Meeting that will be convened to approve the financial statements as at 31 December 2013, shall appoint the new Board of Statutory Auditors. The stake necessary to submit lists has been set out by Consob, by means of Resolution no. 18775 dated 29 January 2014, and is equal to 2.5%.

Some short bibliographical notes on the members of the Board of Statutory Auditors are detailed below. The related *curricula*, together with their lists, are available on the website (under section "corporate governance"):

Marco Fazzini: (born in Florence, on 12 October 1974) – He obtained a degree in Economics at the University of Florence. He is enrolled in the Register of Chartered Accountants and in the Register of Auditors. He is Professor at the "Parthenope" University of Naples. He is consultant for listed and non-listed companies with regard to corporate, tax, investment fund and private equity matters. He is the author of several essays and articles.

Lionello Jona Celesia: (born in Turin on 14 June 1936) - He obtained a degree in Economics and Business at the University of Turin. He is enrolled in the Register of Auditors and is a chartered accountant. He was Lecturer of Public Accounts and Associate Professor of Tax Law at the University of Turin (faculty of Political Science). He has extensive knowledge of tax and accounting matters.

Ernesto Ramojno: (born in Turin on 5 July 1949) - He obtained a degree in Economics and Business at the University of Turin. He is a chartered accountant and holds the position of member of the Board of Statutory Auditors for important Companies; thanks to these activities, he has extensive knowledge of corporate management matters, with particular reference to the corporate, tax and banking sectors.

Massimo Berni: (born in Florence on 13 September 1949) – He obtained a degree in Economics and Business at the University of Florence. He is a chartered accountant, as well as auditor and director for several companies and he is technical adviser at the Court of Florence.

Roberto Coda: (born in Turin on 3 September 1959) - He obtained a degree in Economics and Business at the University of Turin. He is a chartered accountant, focusing in particular on tax, administrative and contractual matters. As a consultant for the Court of Turin, he is a company evaluator and liquidator.

With regard to the above, Table 3 (included in the Appendix) provides a summary of the data concerning the Board of Statutory Auditors.

The Board held 8 meetings that were attended on average by 95.83% of its members. Attendance to the 14 Board's meetings was on average equal to 95.24%.

The duration of each meeting varied according to the issues dealt with.

With regard to its institutional tasks and the frequency of its assessments, in 2014 the Board of Statutory Auditors forecasts to meet at least on a quarterly basis. One meeting has been held since the beginning of the financial year.

Compliance with the independence requirements set out by the Code (that was stated upon filing of the

lists and upon acceptance of the candidature) was positively assessed by the Board of Statutory Auditors following the appointment and during the usual annual assessment (the last one made in February 2014) with regard to all Auditors, including Lionello Jona Celesia who has been in office for more than nine years.

If requirements are met, the Auditors shall promptly provide information on the transactions in which - on own account or on behalf of third parties - they have an interest, as provided for by the Code.

The Board of Statutory Auditors supervised the independence of the Independent Auditors, by assessing the nature and entity of the services, other than the audit, provided to the Issuer and its subsidiaries. The results of these controls were published in the annual report to the Shareholders' Meeting, pursuant to art. 153 of the Consolidated Law on Finance.

Within their functions, the Auditors have acquired information also through meetings with the Independent Auditors' representatives, the Board of Statutory Auditors of the subsidiary SIAS (which is listed on the MTA, the electronic equity market), the Supervisory Body (the Auditor Lionello Jona Celesia is a member of this Body) and by taking part in the meetings of the Audit and Risk Committee and the Remuneration Committee.

15. RELATIONSHIPS WITH SHAREHOLDERS

In order to make the access to information quicker and easier, the Issuer pays particular attention to the creation and updating of its website, with particular reference to "financial information" and "corporate governance".

Moreover, the website contains a descriptive profile of the Group and its investee companies, as well as the financial statements, the half-yearly financial report, the intermediate management reports of the Issuer, the Articles of Association, the Regulations for Shareholders' Meetings, press releases and the reports on the issues discussed at the Shareholders' Meetings, including notice of call and related minutes.

For the appointment of Corporate Bodies, the lists of candidates, together with personal and professional details, are also published.

In any case, during the financial year the Chairman and the Managing Director – in compliance with the procedure concerning the disclosure of documents and information on the Issuer – have taken any necessary action so to create and promote dialogue with the Shareholders and Institutional Investors, based on the comprehension of reciprocal roles and functions.

As already mentioned above, so to make sure that these relationships are professionally handled and managed, the General Manager and Administrative and Financial Manager of the Company was appointed as investor relations' supervisor, who - also taking into account the principles contained in the "*Guidelines for disclosure of information to the market*" - carries out intense and constant information activities with regard to the results, as well as the growth and development prospects of

the Issuer and the Group, through both personal meetings and institutional meetings with investors and analysts, both in Italy and abroad.

The investor relations' supervisor, Mr. Graziano Settime, may be contacted on the following numbers: (tel: +39 011-4392102 – fax: +39 011-4731691).

During the financial year, and in order to support communications activities with the financial market, the investor relations' supervisor was supported by Francesca Pezzoli, who can be contacted on the following numbers: (tel: +39 011-4392133 – fax: +39 011-4731691, e-mail: investor.relations@astm.it).

With regard to their roles, the Delegated Bodies and the investor relations' supervisor avail themselves of the Board's and Corporate Secretariats, especially as regards communications to the relevant Authorities and Shareholders.

16. SHAREHOLDERS' MEETINGS (pursuant to art. 123-bis, paragraph 2, letter c) of the Consolidated Law on Finance)

In the light of the Articles of Association and the reference legal and regulatory provisions, those persons who sent the company the legitimation notice of the qualified broker – based on the records obtained at the end of the accounting day of the seventh open market day before the date of the Meeting – can take part in the Meeting and express their vote.

Those who are entitled to vote can be represented at the Meeting by written proxy or proxy sent electronically, in compliance with current regulations.

The Chairman shall ascertain the validity of proxies.

The electronic notification of the proxy shall be made by using the dedicated section of the Company's website or the dedicated e-mail address, according to the methods described in the notice of call.

For each Shareholders' Meeting, the Company can appoint – by specifying it in the notice of call – a person to whom the shareholders can give a proxy with voting instructions on one or all issues on the agenda, according to the methods and terms set out by law and regulations. The proxy is valid only with regard to those issues for which voting instructions have been given.

The Meeting is chaired by the Chairman of the Board of Directors. In case of absence or impediment, it is chaired by a Vice-Chairman or, if both are absent, by another person appointed by the Meeting.

The Chairman appoints the Secretary with the approval of the Meeting and, if necessary, two scrutinizers, by choosing them among the shareholders with voting right or their representatives.

In the cases provided for by law, or if deemed appropriate by the Chairman of the Meeting, the minutes are prepared by a Notary Public appointed by the Chairman. In this case, it is not necessary to appoint a Secretary.

The (ordinary and extraordinary) Shareholders' Meeting is duly convened and takes resolutions according to the majorities set out by current regulations.

As of today, the Issuer does not provide for the possibility of taking part in the Meetings by means of audiovisual connection systems, electronic vote or voting by correspondence.

Regulations for Shareholders' Meetings

In 2001, the Issuer adopted the Regulations for Shareholders' Meetings - in line with the model issued by ABI and Assonime - to enable the orderly and proper functioning of meetings.

On 17 November 2010, upon proposal of the Board and in line with the provisions contained in the Articles of Association, the Ordinary Shareholders' Meeting approved to align the regulations on its functioning with Legislative Decree no. 27 of 27 January 2010 with regard to the exercise of some rights of listed companies' shareholders.

More specifically, the said Regulations govern the operating methods for the Meeting's activities and the exercise of participants' rights. In this regard, the Chairman opens the discussion and calls those members who requested to speak according to a priority order; if necessary, the Chairman may decide that speeches shall be booked in writing, with indication of the subject.

After having provided any personal detail and the number of votes represented - each person who can take part in the meeting has the right to report on each of the issues on the agenda, make observations as well as proposals.

Taking into account the subject and relevance of each single issue - as well as the questions received before the Meeting and the number of persons who want to speak - the Chairman may predetermine the duration of speeches and answers by notifying the participants, so to make sure that works are completed within one single meeting.

For further information on the rules governing the functioning of the Issuer's meetings, reference should be made to Regulations' provisions published on the website (under section "corporate governance").

Information to the Shareholders

At the meetings, the Board provides the Shareholders with information on the Issuer, in compliance with the regulations on insider trading information.

During the meetings, the Chairman and the Managing Director ensure that the Shareholders are provided with all information necessary or useful for the adoption of resolutions.

More specifically - on the basis of the documents, concerning the points on the agenda, that are given to all participants - they explain the main features of any transaction and resolution that shall be examined and approved by the Shareholders. Moreover, they are available to talk and discuss on the requests made by the participants.

11 Directors took part in the Annual Meeting held on 10 June 2013.

Changes in capitalisation and shareholding structure

The Directors believe that the current percentages for the exercise of the actions and rights for the safeguard of minorities are in line with the current market capitalisation of the ASTM security.

With regard to the changes in the shareholding structure, it is noted that a new Shareholder, Norges Bank Investment Management, joined in October 2013 (2.004% of the share capital).

17. FURTHER CORPORATE GOVERNANCE POLICIES (pursuant to art. 123-bis, paragraph 2, letter a) of the Consolidated Law on Finance)

No further corporate governance policies are reported than those detailed in previous paragraphs and currently applied by the Issuer, except for the obligations set out by legal and regulatory provisions.

18. CHANGES OCCURRED AFTER YEAR END

After the end of FY 2013, no changes occurred in the Issuer's governance structure.

Tortona, 6 March 2014

TABLES

TABLE 1: INFORMATION ON OWNERSHIP STRUCTURE

As at 6.03.2014

SHARE CAPITAL STRUCTURE				
	No. of shares	% compared to s.c.	Listed	Rights and obligations
Ordinary shares	88,000,000 ⁽¹⁾	100	MTA (FTSE Italia Mid Cap Index)	
Shares with limited voting right	=	=	=	=
Shares without voting right	=	=	=	=

(1) Pursuant to articles 2359-bis and 2357-ter of the Italian Civil Code, the voting right has been suspended for 3,563,839 treasury shares held by the Company and 21,500 shares held, as at today's date, by the subsidiary ATIVA S.p.A..

SIGNIFICANT EQUITY INVESTMENTS IN THE SHARE CAPITAL			
Declarant	Direct shareholder	% share of ordinary share capital	% share of voting share capital
Aurelia S.r.l.	Aurelia S.r.l.	0.542	0.542
	Argo Finanziaria S.p.A. unipersonale	53.386	53.386
	Total Group	53.928	53.928
Astm S.p.A.	Astm S.p.A.	4.050 voting right suspended, pursuant to Art. 2357-ter of the Italian Civil Code	4.050 voting right suspended, pursuant to Art. 2357-ter of the Italian Civil Code
	Ativa S.p.A.	0.024 voting right suspended, pursuant to Art. 2359-bis of the Italian Civil Code	0.024 voting right suspended, pursuant to Art. 2359-bis of the Italian Civil Code
	Total Group	4.074	4.074
Lazard Asset Management LCC	Lazard Asset Management LCC	9.981	9.981
Assicurazioni Generali S.p.A.	Generali Italia S.p.A.	2.359	2.359
	Alleanza Assicurazioni S.p.A.	1.982	1.982
	Total Group	4.341	4.341
Norge Bank Investment Manage	Norge Bank Investment Management	2.004	2.004

TABLE 2.1.: STRUCTURE OF THE BOARD OF DIRECTORS AND COMMITTEES IN OFFICE UNTIL 10/06/2013

Board of Directors											Audit and Risk Committee		Remuneration Committee	
Office held	Members	In office since	In office until	List (M/m) *	Executive	Non-executive	Independent, pursuant to the Code	Independent, pursuant to the Consolidated Law on Finance	(%) **	No. of other offices ***	****	(%) **	****	(%) **
01) Chairman	GROS-PIETRO Gian Maria	20/04/2012	Approval of 2012 financial statements	M	x				100	4				
02) Vice-Chairman	GAVIO Daniela	28/04/2010	Approval of 2012 financial statements	M	x				62.5	4				
03) Vice-Chairman	GAVIO Marcello	28/04/2010	Approval of 2012 financial statements	M	x				87.5	1				
04) Man. Director	SACCHI Alberto	28/04/2010	Approval of 2012 financial statements	M	x				100	2				
05) Director	ARONA Enrico ⁽¹⁾	28/04/2010	Approval of 2012 financial statements	M	x				100	4				
06) Director	BOMARSI Luigi ⁽²⁾	06/12/2012	Approval of 2012 financial statements	M		x			87.5	1				
07) Director	CAMMARA Alfredo ⁽¹⁾	28/04/2010	Approval of 2012 financial statements	m		x	x	x	100	=				
08) Director	DUCA Sergio ⁽¹⁾	28/04/2010	Approval of 2012 financial statements	m		x	x	x	87.5	4	x	33.33		
09) Director	FABRIS Nanni ⁽¹⁾	28/04/2010	Approval of 2012 financial statements	M		x	x		100	1	x	100	x	100
10) Director	FERRERO Cesare	28/04/2010	Approval of 2012 financial statements	M		x	x	x	87.5	3	x	66.66	x	100
11) Director	GAROFANO Giuseppe	28/04/2010	Approval of 2012 financial statements	M		x	x	x	87.5	3			x	100
12) Director	ROTH Luigi	28/04/2010	Approval of 2012 financial statements	M		x	x	x	75	5				
13) Director	SPIZZICA Alvaro ⁽¹⁾	28/04/2010	Approval of 2012 financial statements	M		x			100	=				
14) Director	SPOGLIANTI Agostino ⁽¹⁾	28/04/2010	Approval of 2012 financial	M	x				100	1				

			statements											
15) Director	VIVIANO Stefano	28/04/2010	Approval of 2012 financial statements	M		x			100	=				
Quorum required in order to submit lists during the last appointment: 2.5%														
No. of meetings held during FY 2013					Board of Directors: 8			Audit and Risk Committee: 3			Remuneration Committee: 1			

NOTES

* "M/m" indicates if the member has been elected by the list voted by the majority (M) or by a minority (m).

** This column shows the percentage of directors' attendance to the meetings of the Board of Directors and the Committees, respectively (no. of attendances/no. of meetings held during the term of office).

*** This column shows the number of offices held as director or auditor in other companies listed on regulated markets (including foreign markets), in financial, banking, insurance or large enterprises, based on the data collected in February 2013 for the "report on corporate governance and ownership structure" concerning FY 2012, to which reference is made for the list of offices.

**** In this column, the "X" indicates if the member of the Board of Directors belongs to the Committee.

(1) Director who fell from office during the reference financial year, due to the non-reappointment upon renewal of the Board of Directors.

(2) Coopted during the Board's meeting held on 6 December 2012 (in place of Matteo Rocco) and confirmed by the Ordinary Shareholders' Meeting held on 16 January 2013, until the end of the administrative appointment (approval of 2012 financial statements).

TABLE 2.2: STRUCTURE OF THE BOARD OF DIRECTORS AND COMMITTEES IN OFFICE AS FROM 10/06/2013

Board of Directors											Audit and Risk Committee		Remuneration Committee	
Office held	Members	In office since	In office until	List (M/m) *	Executive	Non-executive	Independent, pursuant to the Code	Independent, pursuant to the Consolidated Law on Finance	(%) **	No. of other offices ***	****	(%) **	****	(%) **
01) Chairman	GROS-PIETRO Gian Maria	10/06/2013	Approval of 2015 financial statements	M	x					4				
02) Vice-Chairman	GAVIO Daniela	10/06/2013	Approval of 2015 financial statements	M	x					4				
03) Vice-Chairman	GAVIO Marcello	10/06/2013	Approval of 2015 financial statements	M	x					1				
04) Man. Director	SACCHI Alberto	10/06/2013	Approval of 2015 financial statements	M	x					2				
05) Director	BARIATTI Stefania	10/06/2013	Approval of 2015 financial statements	M		x				1				
06) Director	BIMA Caterina	10/06/2013	Approval of 2015 financial statements	M		x	x	x		1			x	100
07) Director	BOMARSI Luigi	10/06/2013	Approval of 2015 financial statements	M		x				1				
08) Director	DEZZANI Flavio	10/06/2013	Approval of 2015 financial statements	M		x	x	x		2	x	100		
09) Director	FERRERO Cesare	10/06/2013	Approval of 2015 financial statements	M		x		x		3				
10) Director	GAROFANO Giuseppe	10/06/2013	Approval of 2015 financial statements	M		x	x	x		4	x	100		
11) Director	POGGIALI Barbara	10/06/2013	Approval of 2015 financial statements	M		x	x	x		2	x	100		
12) Director	ROTH Luigi	10/06/2013	Approval of 2015 financial statements	M		x	x	x		6			x	100
13) Director	RUBEGNI Alberto	10/06/2013	Approval of 2015 financial statements	M		x				1				
14) Director	VIVIANO Stefano	10/06/2013	Approval of 2015 financial statements	M	x					1				
15) Director	WEIGMANN Marco	10/06/2013	Approval of 2015 financial statements	M		x	x	x		7			x	100
Quorum required in order to submit lists during the last appointment: 2.5%														
No. of meetings held during FY 2013					Board of Directors: 6			Audit and Risk Committee: 4			Remuneration Committee: 2			

NOTES

* "M/m" indicates if the member has been elected by the list voted by the majority (M) or by a minority (m).

** This column shows the percentage of directors' attendance to the meetings of the Board of Directors and the Committees, respectively (no. of attendances/no. of meetings held during the term of office).

*** This column shows the number of offices held as director or auditor in other companies listed on regulated markets (including foreign markets), in financial, banking, insurance or large enterprises. The annexed list shows these companies and indicates whether these belong, or not, to the group that is under the Issuer's control or of which the Issuer is part, based on the data recorded in January 2014, with reference to the parameters and criteria of the "procedure on the limitation on total mandates" adopted by the Issuer.

**** In this column, the "X" indicates if the member of the Board of Directors belongs to the Committee.

Offices as director or auditor held by some Directors in other companies listed on regulated markets (including foreign markets), in financial, banking, insurance or large enterprises.

Member	Company	Office held
Bariatti Stefania	Società Iniziative Autostradali e Servizi S.p.A. ⁽¹⁾	Chairman
Bima Caterina	Unicredit Leasing S.p.A.	Director
Bomarsi Luigi	Società Autostrada Ligure Toscana S.p.A. ⁽¹⁾	Director
Dezzani Flavio	Banca del Piemonte Arca Sgr	Vice-Chairman Standing auditor
Ferrero Cesare	Iveco S.p.A. Ferrero S.p.A. Ersel Investimenti S.p.A.	Director Chairman of the Board of Statutory Auditors Chairman of the Board of Statutory Auditors
Garofano Giuseppe	Industria e Innovazione S.p.A. Alerion Clean Power S.p.A. Reno de Medici S.p.A. Miroglio S.p.A.	Chairman and E.C. member Vice-Chairman Vice-Chairman Director
Gavio Daniela	Società Iniziative Autostradali e Servizi S.p.A. ⁽¹⁾ Società Autostrada Torino-Alessandria-Piacenza S.p.A. ⁽¹⁾ Società Autostrada Ligure Toscana S.p.A. ⁽¹⁾ Aurelia s.r.l. ⁽²⁾	Vice-Chairman Vice-Chairman Director and E.C. member Director
Gavio Marcello	Aurelia s.r.l. ⁽²⁾	Vice-Chairman
Gros-Pietro Gian Maria	Intesa Sanpaolo S.p.A. Edison S.p.A. Fiat S.p.A. Caltagirone S.p.A.	Chairman of the Management Board Director Director Director
Poggiali Barbara	Snai S.p.A. Falck Renewables S.p.A.	Director Director
Roth Luigi	Terna S.p.A. Terna Rete Italia S.p.A. (Terna Group) Alba Leasing S.p.A. Melior Valorizzazioni Immobili s.r.l. Italiana Valorizzazioni Immobiliari s.r.l. Pirelli & Co. S.p.A.	Chairman of the Board of Directors Chairman of the Board of Directors Chairman of the Board of Directors Chairman of the Board of Directors Chairman of the Board of Directors Director
Rubegni Alberto	Itinera S.p.A.	Chairman
Sacchi Alberto	Società Iniziative Autostradali e Servizi S.p.A. ⁽¹⁾ Società Autostrada Ligure Toscana S.p.A. ⁽¹⁾	Director Director and E.C. member
Viviano Stefano	Energrid S.p.A.	Director
Weigmann Marco	Buzzi Unicem S.p.A. Società Reale Mutua di Assicurazioni S.p.A. Italiana Assicurazioni S.p.A. (Reale Mutua Assicurazioni Group) Reale Immobili S.p.A. (Reale Mutua Assicurazioni Group) Banca Reale S.p.A. (Reale Mutua Assicurazioni Group) Auchan S.p.A.	Director Director and E.C. member Vice-Chairman Director Director Director

⁽¹⁾ Issuer's subsidiary

⁽²⁾ Issuer's parent company

TABLE 3: STRUCTURE OF THE BOARD OF STATUTORY AUDITORS

Board of Statutory Auditors							
Office held	Members	In office since	In office until	List (M/m) *	Independent, pursuant to the Code	(%) **	No. of other offices ***
Chairman	FAZZINI Marco	29/04/2011	Approval of 2013 financial statements	m	x	100	7 ⁽¹⁾
Standing auditor	JONA CELESIA Lionello	29/04/2011	Approval of 2013 financial statements	M	x	100	18
Standing auditor	RAMOJNO Ernesto	29/04/2011	Approval of 2013 financial statements	M	x	87.50	36 ⁽¹⁾
Substitute Auditor	BERNI Massimo	29/04/2011	Approval of 2013 financial statements	m	x		1 ⁽¹⁾
Substitute Auditor	CODA Roberto	29/04/2011	Approval of 2013 financial statements	M	x		34 ⁽¹⁾
Quorum required in order to submit lists during the last appointment: 2%							
No. of meetings held during FY 2013: 8							

NOTES

* "M/m" indicates if the member has been elected by the list voted by the majority (M) or by a minority (m).

** This column shows the percentage of auditors' attendance to the meetings of the Board of Statutory Auditors (no. of attendances/no. of meetings held during the term of office).

*** This column shows the number of offices as director or auditor held by the person in question and relevant pursuant to Art. 148-bis of the Consolidated Law on Finance. The entire list of offices is published by Consob on its website, pursuant to art. 144-quinquiesdecies of the Consob Regulation on Issuers.

⁽¹⁾ Given that, following the amendments introduced by Consob Resolution no. 18079 of 20 January 2012 to the Consob Regulation on Issuers, which entered into force from 22 February 2012, the regulations on the limitation on total mandates for directors and auditors is valid only for those who hold an office in more than one listed or widely distributed issuer, the number of "other offices" reflects the assessment launched in January 2014 with the interested parties.

Paragraph on the “Main features of the existing risk management and internal audit systems with regard to the financial reporting process”, pursuant to Article 123-bis, paragraph 2, letter b) of the Consolidated Law on Finance.

1) Foreword

As already pointed out in the “Report on corporate governance and ownership structure”, the internal audit system of ASTM is made up of functions and organisations that – according to their roles and institutional tasks – allow to achieve the strategic objectives of the Issuer and the ASTM Group, through the constant monitoring and identification of the main corporate risks.

With regard to the financial reporting process, these objectives may be the reliability, accuracy and timeliness of reporting.

Based on the system used – which includes rules, procedures and guidelines – ASTM ensures a suitable information flow and data exchange with its subsidiaries, through constant and timely coordination and update activities.

In this context, reference is made to both the regulation on the application of reference accounting standards (i.e. the Group accounting manual) and the procedures governing the preparation of the Consolidated Financial Statements and the periodic accounting statements, which include those for the management of the consolidation system and intercompany transactions. Any related document is distributed by the Parent Company so that subsidiaries can implement it.

2) Description of the main features of the existing risk management and internal audit system with regard to the financial reporting process

The assessment, monitoring and update of the Internal Audit System with regard to financial reporting include an analysis (at Group level) of the organisational and operating structures according to a risk identification/assessment procedure based on the use of the so-called “risk scoring” method.

Thanks to this activity, assessments can be carried out focusing on those areas characterised by higher risks and/or relevance, or on the risks of major errors (also as a consequence of frauds) in the items of financial statements and any related information document. To this end, the activity aims at:

- identifying and assessing the origin and possibility of major errors in the items of the economic-financial reporting;
- assessing if key controls are adequately defined, so that it is possible to identify – in advance or afterwards – any possible error in the items of the economic-financial reporting;
- assessing control operations based on the assessment of error risks of the financial reporting, focusing testing on higher risk areas.

The risk assessment process adopted allows to identify the organisational structures, processes and any related accounting item, as well as any specific activity that can give rise to major potential

errors. For each administrative-accounting process, testing activities are carried out with regard to the so-called “key controls” that, according to international best practices, can be mainly divided into the following categories:

- controls at Group level or for each single subsidiary, such as the assignment of responsibilities, powers and proxies, the separation of duties and rights to access IT applications;
- controls at process level, such as the issue of authorisations, the implementation of reconciliations and assessments of coherence, etc.. This category includes the controls concerning operational and accounting closure processes. These controls can be preventive, with the aim of preventing any anomaly or fraud that could give rise to errors in the financial reporting, or detective, aiming at identifying existing anomalies or frauds. These controls can be “manual” or “automatic” (e.g. application controls that refer to the technical and setting features of the information systems supporting business activities).

Testing activities are carried out by a major consulting firm, with the help of the employees of each single subsidiary, by using sampling techniques recognised by international best practices.

The assessment of controls, if deemed appropriate, may involve the identification of compensating controls, corrective actions or improvement plans.