

Report on Remuneration

Dear Shareholders,

This Report on Remuneration, drafted pursuant to Art. 123-*ter* of February 24, 1998 Legislative Decree No. 58 (Consolidated Law on Finance - TUF), illustrates the principles adopted by Italmobiliare S.p.A. with reference to the definition of the remuneration of its executive Directors vested with special powers and Officers with strategic responsibilities - identified as the Chairman / Chief Executive Officer, the Deputy Chairman, the Chief Operating Officer and the Joint Chief Operating Officer / Manager in charge of preparing the company's financial reports - as well as of the Controller and of the Officers directly reporting to the Chairman / Chief Executive Officer, the Chief Operating Officer and the Joint Chief Operating Officer / Manager in charge of preparing the company's financial reports, as reported hereunder.

The Report has been prepared in accordance with the schedule established by CONSOB (Italian stock exchange Authority) with resolution No. 18049 of December 23, 2011.

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The Report on Remuneration presented herein was examined and approved by the Remuneration Committee on March 28, 2012.

SECTION I

The term Company shall hereinafter mean Italmobiliare S.p.A, the term Group shall mean Italmobiliare Group, the term Policy shall mean the Remuneration policy for executive Directors, other directors vested with special powers, Officers with strategic responsibilities, and Officers directly reporting to the Chairman / Chief Executive Officer, the Chief Operating Officer and the Joint Chief Operating Officer / Manager in charge of preparing the company's financial reports

a) *Bodies or individuals involved in the preparation and approval of the remuneration policy, specifying the respective roles, and bodies or individuals responsible for the proper implementation of such policy*

The bodies involved in preparing the remuneration policy are the following:

Shareholders' Meeting

The Company shareholders' meeting defines the remuneration of Directors not vested with special powers.

It is also required to express its advisory opinion upon this section of the Report on Remuneration prepared by the Board of Directors pursuant to Art. 123-*ter* of TUF.

Lastly, the shareholders' meeting, upon proposal of the Board of Directors, pursuant to Art. 114-*bis* of TUF, resolves upon the approval of any incentive plans based on financial instruments that the Company wishes to issue.

Board of Directors

The Board of Directors, upon proposal of the Remuneration Committee and based on the opinion of the Board of Statutory Auditors, resolves upon the remuneration to be assigned to the Chairman / Chief Executive Officer, the Deputy Chairman, the Chief

Operating Officer and the Joint Chief Operating Officer / Manager in charge of preparing the company's financial reports and the Controller, broken down into a fixed and a variable amount to be granted in connection to the achievement of the annual targets assigned to each of them.

The Board of Directors may also approve a *Long-Term Incentive* against the achievement of the three-year period targets assigned.

Department of Human Resources and Organization

The Human Resources and Organization Department supports the Remuneration Committee in performing its functions, both in defining and approving proposals concerning the remuneration to be submitted to the approval of the Board of Directors, and at the time of monitoring and at the time of verifying the full and proper implementation of the same.

- b) *Possible participation of a remuneration committee or other responsible committee, describing its composition (with the distinction between non-executive and independent directors), competence and functioning conditions*

The Remuneration Committee was established within the Board of Directors, it is made up of three non-executive members, mainly independent, as follows:

Italo Lucchini - chairman

Gabriele Galateri di Genola - member - independent

Giorgio Perolari - member - independent

The Committee carries out its consultative and advisory functions on matters delegated to it, in particular by ensuring the following, in the absence of people directly involved therein:

- submitting to the Board of Directors proposals for the remuneration of Directors vested with special powers and Officers with strategic responsibilities;
- periodically evaluating the criteria adopted for the remuneration of Officers directly reporting to the Chairman / Chief Executive Officer, the Chief Operating Officer and the Joint Chief Operating Officer / Manager in charge of preparing the company's financial reports and the Controller, supervising their application on the basis of information provided by the Chairman / Chief Executive Officer and by the corporate functions possibly involved in formulating general recommendations on the Board of Directors on this items;
- monitoring the implementation of the Board of Directors' decisions, in particular, by verifying the effective achievement of performance targets.

The Remuneration Committee, with the assistance of the Human Resources and Organization Department, analyzes the composition and disbursement of the remuneration of Directors vested with special powers, Officers with strategic responsibilities, the Controller and Officers directly reporting to the Chairman / Chief Executive Officer, the Chief Operating Officer and the Joint Chief Operating Officer / Manager in charge of preparing the company's financial reports.

In carrying out its duties, it can also request for the assistance of one or more independent firms specialized in the field of *executive compensation*, and able to make the appropriate comparisons between competitiveness and consistency with respect to

the reference markets and governance systems required by current best practices, having also regard for i) the weight of their offices within the corporate structure, ii) the powers granted to them and the related range of discretion; iii) the individual economic impact.

Afterwards, the Remuneration Committee submits the so-defined Policy to the Board of Directors for the formal approval of the same, or, if the current Policy (after its first application) is still considered consistent with the Company's needs, market trends and the regulatory environment, it confirms the latter.

Once it has examined and approved the Policy, the Board of Directors submits a report thereupon for the advisory opinion of the shareholders.

c) Any independent experts involved in the remuneration policy definition

Not applicable.

It is also pointed out that the sources of information for the analysis of the remuneration competitiveness covered by this policy, in particular, were provided by the following companies: *Hay Consulting, Mercer Consulting and Towers Watson.*

d) The remuneration policy aims, guiding principles and any amendments to the remuneration policy with respect to the previous financial year

The Company believes that the definition and implementation of the Remuneration Policy represents a primary tool aimed at:

- attracting, retaining and motivating highly-qualified management personnel within the Company and, more generally, within the Group;
- aligning the interests of management and shareholders;
- promoting the creation of shareholder value in the medium-long term, establishing a direct relationship between remuneration and performance.

By executing the Policy, the Company pursues:

- compliance with regulations of both legal and self-regulatory sources, as well as with the regulators' recommendations;
- governance of the Policy's definition and implementation process, in line and consistent with current best practices;
- an ongoing dialogue with market practices;
- a strong link between remuneration and results and sound risk management as a guarantee of its sustainability.

The definition of the Policy is the result of a fully outlined process in which the Company's Remuneration Committee and Board of Directors play a central role.

The Company's Remuneration Committee held on March 22, 2011 examined and approved a Policy consistent with the provisions of the Code of Conduct issued by *Borsa Italiana* (i.e. the Italian stock exchange); an explanatory memorandum of such Policy (the remuneration report) was subsequently submitted to the advisory opinion of the shareholders' meeting called to approve the 2010 financial statements held on May 25, 2011.

Following the new regulations introduced by CONSOB Resolution No. 18049 of December 23, 2011 in execution of the powers granted by Legislative Decree No. 259 /

2010, the Company considered adjusting its Remuneration Policy, by confirming the principles and guidelines already expressed in the previous version of the same, but expressing them according to the new legal framework.

- e) *Description of the policies in terms of fixed and variable components of remuneration, with particular reference to the indication of the relative weight within the overall remuneration and distinguishing between short and medium-long term variable components.*

A) VARIABLE COMPONENTS

Under the Policy, the variable components of remuneration are the following:

1) Short-Term Variable Component (MBO)

- i) Directors vested with special powers and Officers with strategic responsibilities

The yearly variable remuneration for Directors vested with special powers and Officers with strategic responsibilities is established by the Board of Directors upon proposal of the Remuneration Committee and based on the opinion of the Board of Statutory Auditors, in relation to the achievement of the annual targets assigned. Such targets are predetermined and measurable, and are in any case linked to value creation for the Company and the shareholders in the medium to long term; by way of example, but not limited thereto, these targets may be linked to the Company's and / or the Group's financial position and results of operations, the adoption of governance best practices, sustainable development and implementation of strategic projects for the Company.

- ii) Officers directly reporting to the Chairman / Chief Executive Officer, the Chief Operating Officer and the Joint Chief Operating Officer / Manager in charge of preparing the company's financial reports

The variable remuneration on an annual basis in favor of officers directly reporting to the Chairman / Chief Executive Officer, the Chief Operating Officer and the Joint Chief Operating Officer / Manager in charge of preparing the company's financial reports is defined by them with the support of Human Resources and Organization Department, in relation to achievement of annual targets assigned.

Such targets are predetermined and measurable, and are in any case linked to value creation for the Company and the shareholders in the medium to long term; by way of example, but not limited thereto, these targets may be linked to the Company's and / or the Group's financial position and results of operations, the adoption of governance best practices, sustainable development and implementation of strategic projects for the Company.

2) Medium-Long Term Variable Component (LTI)

Two different long-term incentive plans are currently in place: one for Directors vested with special powers and Officers with strategic responsibilities and one for the other officers – Officers directly reporting to the Chairman / Chief Executive Officer, the Chief Operating Officer and the Joint Chief Operating Officer / Manager in charge of preparing the company's financial reports.

- i) Directors vested with special powers and Officers with strategic responsibilities

Among the Directors entrusted with special powers, the Chairman / Chief Executive

Officer was the recipient of a stock option plan for directors, approved by the Company's Board of Directors on May 14, 2002 in execution of the Meeting's resolution of May 3, 2002.

This plan provided for one-year cycles.

The Officers with strategic responsibilities were the recipients of a stock option plan for top management approved by the Company's Board of Directors on March 27, 2001.

Such plan provided for one-year cycles.

The Company's Shareholders Meeting held on May 25, 2011, on the proposal of the Board of Directors (which, in formulating its proposal, took into account the results of analyzes on executive compensation carried out on behalf of the Company by independent advisors having extensive experience and international standing), decided to replace such systems of incentives for Directors vested with special powers and Officers with strategic responsibilities, with respect to the portion not yet executed, with a new tool on a monetary basis ("Long-term monetary incentive plan, linked to the performance of Italmobiliare shares, for directors and officers with strategic responsibilities").

The new long-term monetary incentive plan is based on three-year cycles depending on the medium-long term performance of the Company and / or the Group.

This plan aims at:

- tying the overall treatment of participants to the Company's performance in the medium-long term by rewarding the achievement of certain strategic targets, and the consequent "value creation" for shareholders;
- ensuring maximum transparency and compliance with best governance criteria of the overall salary package of participants.

The corporate body responsible for decisions relating to the plan is the Board of Directors, which passes resolutions upon proposals of the Remuneration Committee with the technical and operational support of the Head of Human Resources and Organization Department.

The plan provides for awarding participants a number of rights, determined by dividing the MBO Payout by the normal value of shares at grant date and then proportioning the resulting value to the weight of each individual position, which, multiplied by the value of shares at payment date, will enable participants to obtain payment of an incentive.

The right to obtain the granting of premium linked to the long-term monetary incentive plan is indeed subject to:

- a) the achievement of annual targets assigned to each participant under the annual incentive tool (MBO) by the Board of Directors on proposal of the Remuneration Committee in each year making up each cycle. Such targets, defined consistently with the powers granted to each of them, are linked to the Company's financial position and results of operations and other targets specifically attributed such as, for example, targets regarding governance, risk management and sustainable development, targets additional to those established in the annual incentive plan. The control over the achievement of such targets is made by the Remuneration

- Committee and, where appropriate, by independent experts;
- b) the expiration of the entire three-year period of each of the plan's cycles and the uninterrupted holding of the office or employment relationship for each individual recipient. Before the expiration of such period no right accrues to partial or pro rata disbursements. The allocation of the amount actually accrued takes place in April of the year following the end of the three-year reference period.
- ii) Officers directly reporting to the Chairman / Chief Executive Officer, the Chief Operating Officer and the Joint Chief Operating Officer / Manager in charge of preparing the company's financial reports

The Officers reporting directly to the Chairman / Chief Executive Officer, the Chief Operating Officer and the Joint Chief Operating Officer / Manager responsible for preparing the company's financial reports were the recipient of a stock option plan for officers, approved by the Company's Board of Directors on March 27, 2001.

Such plan provided for one-year cycles.

The Company's Shareholders Meeting held on May 25, 2011, acting on the proposal of the Board of Directors (which, in formulating its proposal, took into account the results of analyzes on executive compensation carried out on behalf of the Company by independent advisors having extensive experience and international standing), decided to replace such systems of incentives for Officers directly reporting to the Chairman / Chief Executive Officer, the Chief Operating Officer and the Joint Chief Operating Officer / Manager responsible for preparing the company's financial reports, with respect to the portion not yet executed, with a new tool on a monetary basis ("Long-term monetary incentive plan, linked to the performance of Italmobiliare shares, for company officers").

This plan aims at:

- tying the overall treatment of participants to the Company's performance in the medium-long term by rewarding the achievement of certain strategic targets, and the consequent "value creation" for shareholders;
- ensuring maximum transparency and compliance with best governance criteria of the overall salary package of participants.

The corporate body responsible for decisions relating to the plan is the Board of Directors, which passes resolutions upon proposals of the Remuneration Committee with the technical and operational support of the Head of Human Resources and Organization Department.

The Board of Directors delegates the operational management of the plan to the Chairman / Chief Executive Officer.

The Plan provides for awarding participants a number of rights, determined by dividing the MBO Payout by the normal value of shares at grant date and then proportioning the resulting value to the weight of each individual position, which, multiplied by the value of shares at payment date, will enable participants to obtain payment of an incentive.

The right to obtain the granting of premium linked to the long-term monetary incentive plan is indeed subject to:

- a) the achievement of annual targets assigned to each participant under the annual incentive tool (MBO) by the Board of Directors on proposal of the Remuneration Committee in each year making up each cycle. Such targets, defined consistently with the powers granted to each of them, are linked to the Company's financial position and results of operations and other targets specifically attributed such as, for example, targets regarding governance, risk management and sustainable development, targets additional to those established in the annual incentive plan. The control over the achievement of such targets is made by the Remuneration Committee and, where appropriate, by independent experts;
- b) the expiration of the entire three-year period of each of the plan's cycles and the uninterrupted holding of the office or employment relationship for each individual recipient. Before the expiration of such period no right accrues to partial or pro rata disbursements. The allocation of the amount actually accrued takes place in April of the year following the end of the three-year reference period.

Allocation of the amount awarded normally takes place within the month of April of the year following the end of the three-year reference period.

B) FIXED COMPONENTS AND OVERALL REMUNERATION

As a result of the foregoing, the overall treatment approved according to the Policy, inclusive of the fixed component of remuneration, may be represented as follows for the different beneficiaries:

a) Remuneration of Officers with Strategic Responsibilities

The Company's Board of Directors identified as Officers with strategic responsibilities, in addition to the Chief Operating Officer, whose remuneration was given ample representation under point 6) above, the Joint Chief Operating Officer / Manager responsible for preparing the company's financial reports: the following are principles that currently govern the remuneration of the latter. The remuneration of Joint Chief Operating Officer / Manager in charge of preparing the company's financial reports is established by the Board of Directors upon proposal of the Remuneration Committee and based on the opinion of the Board of Statutory Auditors.

The components of the remuneration of the Joint Chief Operating Officer / Manager responsible for preparing the company's financial reports:

- a) an annual fixed component;
- b) an annual variable component linked to the achievement of specific business targets (*Management By Targets*);
- c) a monetary medium-long term variable component (*Long Term Incentive*) and linked to the performance of Italmobiliare shares, also linked to the achievement of specific targets as the previous one.

Having defined the overall remuneration package as sum of the three components listed above in the event of targets related to components b) and c) are achieved, it is pointed out that such targets and the related remuneration are referred to the position of Joint Chief Operating Officer / Manager in charge of preparing the company's financial reports within the Group, and the relative weight of the same can be approximately represented as follows:

- a) the weight of the yearly fixed component is approximately equal to 60% of total

remuneration;

- b) the weight of the annual variable component (*MBO*) is approximately equal to 25% of total remuneration.

Such variable component cannot in any case exceed 60% of the fixed component as per letter a) above;

- c) the medium-long term variable component (*LTI*), currently based on three-year cycles as to the annual amount thereof, has a weight equal to about 15% of total remuneration.

Such variable component cannot in any case, over the entire three-year period of duration of each plan, exceed 100 % of the fixed component referred to under letter a) above, as granted throughout the plan execution periods.

With reference to the variable components of remuneration for Joint Chief Operating Officer / Manager in charge of preparing the company's financial reports referred to under letters b) and c) above, the Remuneration Committee:

- annually, makes proposals for the assignment of MBO targets to be submitted to the Board of Directors for approval;
- in the following financial year, monitors the degree of achievement of MBO targets and verifies the performance achieved;
- at the end of each three-year reference period, verifies the level of achievement of LTI targets.

For the Joint Chief Operating Officer / Manager responsible for preparing the company's financial reports, the company currently has in place a long-term incentive plan based on financial instruments referred to in e) A) 2) i) of this Report.

The Board of Directors may also grant special awards, exceptionally, upon occurrence of significant, specific and unforeseen, circumstances in order to remunerate Joint Chief Operating Officer / Manager in charge of preparing the company's financial reports, i) if the overall remuneration components are considered to be objectively inappropriate to the performance achieved, within the limits of the upper limits set in this Policy, or ii) in relation to specific activities and / or extraordinary transactions in terms of strategic relevance and impact on the Company's and / or the Group's results of operations.

b) Remuneration of the Controller

The remuneration of the Controller is established by the Board of Directors upon proposal of the Remuneration Committee based on the opinion of the Executive Director in charge of overseeing the functioning of the Internal Control system.

The remuneration comprises a fixed annual component and a variable component on an annual basis.

The variable component is aligned to the Group's MBO and does not provide for any target related to the Company's results of operations, but only targets linked to the improvement of the Internal Control system's effectiveness and functionality .

The weight of the annual fixed and variable (*MBO*) components of the Controller is respectively 70% and 30% of his / her overall remuneration.

c) Remuneration of Officers directly reporting to the Chairman / Chief Executive Officer, the Chief Operating Officer and the Joint Chief Operating Officer /

Manager in charge of preparing the company's financial reports

The remuneration of Officers directly reporting to the Chairman / Chief Executive Officer, the Chief Operating Officer and the Joint Chief Operating Officer / Manager responsible for preparing the company's financial reports is defined by them with the support of Human Resources and Organization Department.

The components of the remuneration of Officers directly reporting to the Chairman / Chief Executive Officer, the Chief Operating Officer and the Joint Chief Operating Officer / Manager responsible for preparing the company's financial reports are the following:

- a) an annual fixed component;
- b) an annual variable component linked to the achievement of specific business targets (*Management By Targets*);
- c) a variable medium-long term component (*Long Term Incentive*), monetary-based and linked to the performance of "Italmobiliare S.p.A. - Ordinary" shares, also subject to the achievement of specific targets as the previous one.

Having defined the overall remuneration package as sum of the three components listed above in the event of targets related to components b) and c) are achieved, it is pointed out that such targets and the related remuneration are referred to the Officers directly reporting to the Chairman / Chief Executive Officer, the Chief Operating Officer and the Joint Chief Operating Officer / Manager in charge of preparing the company's financial reports, and the relative weight of the same can be approximately represented as follows:

- a) the weight of the yearly fixed component is approximately equal to 70% of total remuneration;
- b) the weight of the annual variable component (*MBO*) is approximately equal to 20% of total remuneration.
Such variable component cannot in any case exceed 70% of the fixed component as per letter a) above;
- c) the medium-long term variable component (*LTI*), currently based on three-year cycles as to the annual amount thereof, has a weight equal to about 10% of total remuneration.

With respect to the variable components of the remuneration of Officers directly reporting to the Chairman / Chief Executive Officer, the Chief Operating Officer and the Joint Chief Operating Officer / Manager responsible for preparing the company's financial reports under letters b) e c) above, the Human Resources and Organization Department:

- defines, annually, proposals for the assignment of MBO targets to be submitted to the Chairman / Chief Executive Officer, the Chief Operating Officer and the Joint Chief Operating Officer / Manager in charge of preparing the company's financial reports, depending on the officer's position within the organizational structure;
- in the following financial year, monitors and submits to the Chairman / Chief Executive Officer, the Chief Operating Officer and the Joint Chief Operating Officer / Manager in charge of preparing the company's financial reports the degree of achievement of MBO targets and verifies the performance carried out;

- at the end of each three-year reference period, verifies the level of achievement of LTI targets, submitting the results to the approval of the Chairman / Chief Executive Officer, the Chief Operating Officer and the Joint Chief Operating Officer / Manager in charge of preparing the company's financial reports.

f) *Policy followed with regard to non-monetary benefits*

Please refer to the description under points e) and n) for non-monetary benefits respectively granted to i) Officers with strategic responsibilities and Officers directly reporting to the Chairman / Chief Executive Officer, the Chief Operating Officer and the Joint Chief Operating Officer / Manager in charge of preparing the company's financial reports, and ii) Directors vested with special powers and other Directors.

g) *With reference to variable components, a description of performance targets based on which they are assigned, distinguishing between short and medium-long term variable components, and information on the link between variation of results and variation of remuneration*

Reference is made to that represented under points e) A) 1) i), e) A) 1) ii), e) A) 2) i) and e) A) 2) ii).

h) *Criteria applied for the evaluation of performance targets forming the basis for the allocation of shares, options, other financial instruments or other variable components of the remuneration*

Consistently with the information provided under points e) B) a), e) B) b) and e) B) c), the definition and verification of the correct implementation of the criteria used for the performance targets' evaluation are on each occasion carried out by of the Remuneration Committee with the support of the Human Resources and Organization Department.

i) *Information aimed at highlighting the consistency of the remuneration policy with the company's long-term objectives' pursue and its risk management policy, where formalized*

By applying the Policy, the Company pursues a strong link between remuneration and results of operations and a sound risk management as guarantee of its sustainability.

According to the above, the Remuneration Committee periodically evaluates, among other things, the criteria adopted for the remuneration of Directors and Officers with strategic responsibilities, supervising their implementation based on information provided by the Chairman / Chief Executive Officer and any corporate functions involved and formulating general recommendations to the Board of Directors on the subject.

j) *Vesting period, any deferred payment system, with the indication of periods of deferment and of the criteria used for the establishing such periods and, if applicable, ex-post correction mechanism*

Not applicable.

See also Section I - letter e) A) 2) for detailed information on LTI functioning.

k) *Information about the possibility of introducing provisions for maintaining financial instruments in the portfolio after acquisition thereof, indicating the periods of maintenance and the criteria used for establishing such periods*

Not applicable.

- l) *Policy on treatment provided for termination of office or termination of employment agreement events, specifying the circumstances which determine the onset of the right thereto and the possible link between such treatment and the company's performance;*

The Company has not entered into specific agreements with the Directors vested with special powers and Officers with strategic responsibilities aimed at regulating, at the outset, the financial consequences resulting from a possible early termination of employment relationship caused by the Company or the individual employee.

With reference to the other offices, in the event of termination of the employment agreement with the Company for reasons other than just cause, it is considered appropriate to pursue out-of-court settlements on an equitable basis, to the extent allowed by the law, as well as the benchmarks and existing good practice for similar positions, except as may be required by rules and agreements in force, and in particular by the collective bargaining agreement for Executives of companies producing goods or providing services.

There is no provision for the granting of extraordinary remuneration to Directors not vested with special powers due to termination of the office.

The Company does not, in general, enter into specific non-competition agreements with its Officers with strategic responsibilities, designed to pay out financial consideration, during the employment relationship or subsequently to termination thereof, related to the respective fixed remuneration in relation to the term and geographical, business scope and product sector of the constraints arising from same.

- m) *Information on the presence of any insurance, or pension or retirement, coverage other than the mandatory one*

Specific health and safety insurance policies consistent with what represented under letter n) below are provided for the Chairman / Chief Executive Officer and the Chief Operating Officer.

- n) *Remuneration policy possibly followed in regard of: (i) independent directors, (ii) participation in committees and (iii) performance of particular tasks (Chairman, Deputy Chairman, etc.).*

The Company's Board of Directors consists of two categories of directors:

- a) Directors vested with special powers;
- b) Directors not vested with special powers.

As of January 31, 2012, the members of the Company's Board of Directors were divided in the two categories as shown below:

- a) Giampiero Pesenti Chairman / Chief Executive Officer • Italo Lucchini Deputy Chairman • Carlo Pesenti Chief Operating Officer;
- b) Mauro Bini • Giorgio Bonomi • Gabriele Galateri di Genola • Jonella Ligresti • Sebastiano Mazzoleni • Luca Minoli • Gianemilio Osculati • Giorgio Perolari • Clemente Rebecchini • Paolo Domenico Sfameni • Livio Strazzera.

The shareholders' meeting held on May, 25 2011 granted to the Board of Directors' members an annual remuneration of € 45,000, increased to € 90,000 for those being also members of the Executive Committee.

Such amount is increased for Directors who are members of Board's Committees, and for Chairmen of the latter.

In compliance with best practices in place for Directors not vested with special powers, no variable component of remuneration is provided for, while they are reimbursed expenses incurred in performing their office.

Lastly, an insurance policy, in line with existing practices, has been taken out for civil liability to third parties of Directors for events related to the exercise of their functions, in compliance with the provisions set forth with regard to corporate offices, except in cases of willful misconduct and gross negligence.

The remuneration of Directors vested with special powers, is directly established at the time of appointment, or at a subsequent useful meeting, by the Board of Directors acting upon proposal of the Remuneration Committee and based on the opinion of the Board of Statutory Auditors.

The components of the remuneration of Directors vested with special powers are as follows:

A) Chairman / Chief Executive Officer and Chief Operating Officer:

- a) an annual fixed component;
- b) an annual variable component linked to the achievement of specific business targets (*Management By Targets*);
- c) a monetary medium-long term variable component (*Long Term Incentive*) and linked to the performance of Italmobiliare shares, also linked to the achievement of specific targets as the previous one.

Having defined the overall remuneration package as sum of the three components listed above in the event of targets related to components b) and c) are achieved, it is pointed out that such targets and the related remuneration are referred to the position of Director vested with special powers within the Company, and the relative weight of the same can be approximately represented as follows:

- a) the weight of the yearly fixed component is approximately equal to 60% of the Chairman / Chief Executive Officer's and 40% of the Chief Operating Officer's overall remuneration;
- b) the weight of the annual variable component (MBO) is approximately equal to 20% of the Chairman / Chief Executive Officer's and 30% of the Chief Operating Officer's overall remuneration;

Such variable component cannot exceed 60% of the fixed component referred to in letter a) above for the Chairman / Chief Executive Officer and 120% of said amount for the Chief Operating Officer;

- c) the medium-long term variable component (LTI), currently based on three-year cycles, in its annual amount, represents about 20% of the Chairman / Chief Executive Officer's and 30% of the Chief Operating Officer's overall remuneration.

Such variable component cannot in any case, over the entire three-year period of duration of each plan, exceed 200% of the fixed component referred to under letter a) above, as granted throughout the plan execution periods for the Chairman / Chief Executive Officer and 400% of said amount for the Chief Operating Officer.

With reference to the variable components of remuneration of Directors vested with special powers referred to under letters b) and c) above, the Remuneration Committee:

- annually, makes proposals for the assignment of MBO targets to be submitted to the Board of Directors for approval;
- in the following financial year, monitors the degree of achievement of MBO targets and verifies the performance achieved;
- at the end of each three-year reference period, verifies the level of achievement of LTI targets.

For the Directors vested with special powers, the Company currently has in place a long-term incentive plan based on financial instruments referred to in letter e) A) 2) i) of this Report.

The Chairman / Chief Executive Officer is entitled to a “Severance pay”, which will accrue at the end of each term of office.

Such compensation has been calculated so as to not exceed 3 years of remuneration and it will not be granted if termination of office is due to the attainment of objectively inadequate results.

In addition to benefits usually provided for similar positions, the Chairman / Chief Executive Officer is also entitled to an illness and injury policy, and reimbursement of expenses incurred to attend meetings and conferences, etc..

Total compensation granted to the Chief Operating Officer includes fees paid to him by the Company as remuneration voted in favor of Mr. Carlo Pesenti, its Chief Executive Officer by the subsidiary Italcementi S.p.A., which is charged the full cost including social security charges related to the contributions paid by the company and severance indemnity.

Benefits are provided for the Chief Operating Officer in line with those of the Chairman / Chief Executive Officer.

The Board of Directors may also grant special awards, exceptionally, upon occurrence of significant, specific and unforeseen, circumstances in order to remunerate Directors vested with special powers, i) if the overall remuneration components are considered to be objectively inappropriate to the performance achieved, within the limits of the upper limits set in this Policy, or ii) in relation to specific activities and / or extraordinary transactions in terms of strategic relevance and impact on the Company’s and / or the Group’s results of operations.

B) Deputy Chairman:

The Deputy Chairman’s remuneration consists of a fixed component defined in accordance with the rules under letter n) above.

- o) *Whether the remuneration policy was defined using the remuneration policies of other companies as a reference and, if so, the criteria used for the selection of such companies*

Not applicable.

SECTION II

I.1 – PART ONE

1.1. Full representation of the remuneration components, including the treatment provided for termination of office or termination of the employment agreement, and their consistency with the reference Policy has already been given in Section I of this report;

With respect to incentive plans based on financial instruments, please find below information concerning the plans in place.

Stock Option Plan for Directors 2002

In execution of the shareholders' resolution of May 3, 2002, the Company's Board of Directors meeting of May 14, 2002, approved the stock option plan for directors who are vested with special powers in accordance with the articles of association, or those who perform specific operating duties. The corresponding regulations later underwent non-significant changes.

In view of such stock option plan, the Board of Directors met on March 30, 2011 and voted to grant the Chairman / Chief Executive Officer, on the basis of results achieved in 2010, # 48,000 options and the Chief Operating Officer # 30,700 options.

Overall, as of the date of preparation of this report, # 442,500 options were granted.

The Board of Directors, finally, set at 442,500 the number of shares to service the stock option plan for Directors, initially set at 350,000 shares and also decided not to proceed to any further allocation based on the same plan, which, therefore, should be considered closed except for the terms provided to each beneficiary for the exercise of options already granted.

Stock Option Plan for Officers 2001

By resolution of the Board of Directors on March 27, 2001, the Company approved a stock option plan for company officers (whose relevant regulation was subsequently subject to non-significant changes), against which the Board of Directors on March 30 2011, voted to grant the Joint Chief Operating Officer / Manager responsible for preparing the company's financial reports, based on the results obtained by the same in 2010, # 14,150 options. Finally, a total of # 20,050 options were granted to Group officers, based on the results achieved during the year 2010.

Overall, as of the date of preparing this report, # 424,494 options, # 201,500 of which to the Chief Operating Officer, were granted to Group officers.

The Board of Directors, finally, definitively set at 424,494 the number of shares to service the stock option plan for company officers, initially set at 350,000 and, also, decided not to proceed to any further allocation based on the same plan, which, therefore, should be considered closed except for the terms provided to each beneficiary for the exercise of options already granted.

During 2011, none of the Company Directors and Officers beneficiary of stock option plans exercised the respective rights already accrued.

Long-term monetary incentive plan, linked to the performance of Italmobiliare shares, for directors and officers with strategic responsibilities - 2011

The main features of the Plan are the following.

a) Reasons for the Adoption of the Plan

These may be summarized as follows:

- to tie the overall treatment of participants' performance to the Company's medium-long term performance and to "value creation" for shareholders;
- to reward the achievement of targets of each participant, ensuring the highest involvement of the Company's top management on its performance and increasing the sense of belonging of participants, encouraging them to remain at the Company.

b) Plan Management

The corporate body responsible for decisions relating to the plan is the Board of Directors, with the support of the Remuneration Committee and, where necessary, after consulting the Committee for transactions with related parties, including through the support of the Head of the Human Resources and Organization Department.

More specifically, the Board of Directors will be responsible for:

- identifying the individual participants for each cycle;
- determining attainable amounts;
- assessing the degree of achievement of the MBO Payout of each participant in each cycle;
- deciding the date of commencement of the availability period.

The Board of Directors will report periodically on the progress of the plan to shareholders at the ordinary meeting to approve the company's financial statements.

The assessment as to whether to revise the plan is left to the discretion of the Board of Directors, after consultation with the Remuneration Committee.

c) Beneficiaries of the Plan

Beneficiaries of the plan are certain Directors and Officers with strategic responsibilities of Italmobiliare S.p.A.

The plan is offered to participants considering the relevance of the functions attributed to them for the achievement of the Company's strategic targets.

Being a member of the Company's Board of Directors or having an office within the Company as Officer with strategic responsibilities are eligibility requirements to be admitted to the monetary incentive plan.

d) Term and Constraints of the Plan

The plan term is 3 (three) three-year cycles from 2011 to 2019. The term of the first cycle will be in the period 2011-2013.

The Board of Directors, on the proposal of the Remuneration Committee and, where necessary, after consultation with the Committee for transactions with related parties, will establish, under the plan, attainable amounts as incentives for each participant, according to an overall assessment, which, taking into account the general trend of business and each participant's strategic position for the purpose of achieving the Company's long-term goals, will focus on:

- i) the weight of the participant's position in the Company's structure,
- ii) consistency with the principles of "overall remuneration" underlining the Company's remuneration policy.

iii) overall Payout of annual MBO plans during the relevant period of the plan.

Accrual of the incentive is conditional upon at least achieving one MBO Payout in any year within the period of performance monitoring. The amount of the incentive is proportional to the sum of the Payout for each year of the relevant three-year period.

It will be the responsibility of the Board of Directors, after hearing the Remuneration Committee and, where necessary, after consultation with the Committee for transactions with related parties, with the support of Human Resources and Organization Department, to verify and assess the degree of achievement of the MBO Payout in the period of performance monitoring, thus determining the number of rights actually accrued by each participant.

e) Plan Implementation Procedures and Terms

The plan provides a number of rights to the participants, determined by dividing the MBO Payout by the normal value of the shares at grant date and then proportioning the resulting value to the weight of each individual's position in accordance with point d) above, which, multiplied by the value of the shares on the date of payment, will enable participants to obtain payment of an incentive.

Without limitation to the right of the Board of Directors to decide otherwise, participation in the plan is inherently and functionally related to, and conditioned by, the permanence of each participant in the position held at the time of assignment for the entire duration of the cycle.

Generally:

- i) in case of expiry of term or changes in the office held as Director: Subject to any exceptions for specific cases established by the Board of Directors having heard the Committee and, when applicable, the opinion of the Committee for Transactions with Related Parties, the following provisions will be applied to the cases mentioned below:
 - a) in case of revocation of, or change in, position during the cycle, the Board of Directors may, at its discretion, based on the Remuneration Committee's opinion, and in consideration of the reasons motivating the revocation or change, evaluate on an equitable basis the possibility of paying out a compensatory lump sum bonus, commensurate with the portion of period and the transitional partial degree of achievement of the MBO Payout;
 - b) in case of death of the participant during the cycle, the above will apply; if death occurs once the MBO Payout is obtained, the participant's heirs will be acknowledged the right to obtain payment of any bonus accrued.
- ii) in case of termination of employment: except for the specific cases listed below in this paragraph and without limitation to the right of the Board of Directors to decide otherwise, the rights accruing to participants in relation to accrued rights are inherently and functionally related to, and conditioned by, the persistence of the participant's employment relationship with the Company at the time of the beginning of the availability period.

Subject to any exceptions for specific cases established by the Board of Directors, the following provisions will apply to the situations mentioned below:

- a) in the event of termination of employment due to dismissal or resignation, which occurred after the expiration of the period of performance monitoring, but before the availability period, the general principle will apply and thus the participant will permanently and automatically lose the right to obtain the incentive;

- b) in cases of consensual termination of employment or resignation for retirement, or after becoming an invalid, howsoever occurred after the end of the period of performance monitoring, or if the participant has reached the MBO Payout, he / she will retain the right to obtain the incentive if, after the date of termination, the accrual of rights actually occurs;
- c) in case of the participant's death occurring after the end of the period of performance monitoring, or if the participant has reached the MBO payout, the rights possibly accrued by the same under this plan will be awarded to the participant's heirs on production, by the latter, of the necessary documentation proving such qualification.

If, during the period of performance monitoring, the transfer of the participant's employment relationship occurs between the Company and its subsidiaries, regardless of the manner by which such transfer occurred, or the participant's organizational position is changed with a consequent change in the latter's responsibilities, the relevant MBO Payout will also be updated in line with the new position.

In any case, the Board of Directors may define an equitable amount payable to the participant in relation to the activities carried out till then.

The provisions described above may be modified by the Board of Directors to ensure participants a treatment equivalent to the one offered initially.

f) *Other Powers Assigned to the Board of Directors*

The Board of Directors, having heard the Remuneration Committee, may temporarily suspend the effects deriving from the accrual of rights for participants in case of specific and particular needs such as, by way of example but not limited to, changes in legal and regulatory provisions, excluding tax provisions, applicable to the legal relationships arising from the Plan.

The suspension of the effects deriving from the accrual of rights for participants will also take place in any case in which such circumstances may occur as, by way of example but not limited to, corporate transactions, mergers and demergers having an effect on the Company's share capital, increase and reduction of the Company's share capital, changes to the Bylaws relating to the Shares such as to affect the conditions governing the implementation of the Plan, possibly altering the economic and financial conditions and jeopardizing its aims as defined under the preceding point a).

The Board of Directors may, in all cases mentioned above and having heard the Remuneration Committee's opinion, amend or integrate the plan, the cycle and the Regulation, or order the lapse of the same plan if it is no longer consistent with the Company's situation, subject to any rights acquired in the meantime as a result of the three-year period of reference having elapsed and the other requirements and conditions of the Regulation being met.

g) *Any support for the plan by the special Fund for the encouragement of employee participation in enterprises, pursuant to Art. 4, paragraph 112, of Law No. 350 dated December 24, 2003*

Not applicable

Long-term monetary incentive plan linked to the performance of Italmobiliare shares, for company officers - 2011

The main features of the Plan are the following.

a) Reasons for the Adoption of the Plan

These may be summarized as follows:

- to tie the overall treatment of participants' performance to the Company's medium-long term performance and to "value creation" for shareholders;
- to reward the achievement of targets of each participant, ensuring the highest involvement of the Company's top management on its performance and increasing the sense of belonging of participants, encouraging them to remain at the Company.

b) Plan Management

The corporate body responsible for decisions relating to the plan is the Board of Directors, which empowers the Chairman / Chief Executive Officer to manage the plan operationally, with the support of the Remuneration Committee and, where necessary, after consultation with the Committee for transactions with related parties, also through the technical support of the Head of Human Resources and Organization.

More specifically, the Chief Executive Officer will be responsible for:

- identifying the individual participants for each cycle;
- determine attainable amounts;
- assessing the degree of achievement of the MBO Payout of each participant for each cycle;
- deciding the date of commencement of the availability period.

The Chief Executive Officer will periodically report on the plan to shareholders at the time of the ordinary meeting to approve the financial statements.

The assessment as to whether to revise the plan is left to the discretion of the Chief Executive Officer who, after hearing the Remuneration Committee's opinion, reports to the Board of Directors.

c) Beneficiaries of the Plan

Beneficiaries of the plan are certain Officers of Italmobiliare S.p.A.

The plan is offered to participants considering the relevance of the functions attributed to them for the achievement of the Company's strategic targets.

To be an employee of the Company without being in the notice period for dismissal or resignation are eligibility requirements to be admitted to the monetary incentive plan.

d) Term and Constraints of the Plan

The plan term is 3 (three) three-year cycles from 2011 to 2019. The term of the first cycle will be in the period 2011-2013.

The Chief Executive Officer will, under the plan, on proposal of the Remuneration Committee and, where necessary, after consultation with the Committee for transactions with related parties, establish amounts attainable as an incentive by each of the Participants, in accordance with a comprehensive assessment that, given the general trend of business and strategic position of each participant for the purpose of achieving the Company's long-term goals, will focus

- i) on the weight of the participant's position within the Company's structure,
- ii) consistency with the principles of "overall remuneration" underlining the

Company's remuneration policy.

iii) the overall Payout of annual MBO plans in the relevant period of the plan.

Accrual of the incentive is conditional upon at least achieving one MBO Payout in any year within the period of performance monitoring. The amount of the incentive is proportional to the sum of the Payout for each year in the relevant three-year period.

It will be the responsibility of the Chief Executive Officer, after hearing the Remuneration Committee and, where necessary, after consultation with the Committee for transactions with related parties, with the support of Human Resources and Organization Department, to verify and assess the degree of achievement of the MBO Payout in the period of performance monitoring, thus determining the number of rights actually accrued by each participant.

e) Plan Implementation Procedures and Terms

The plan provides for the grant of a number of rights to participants, determined by dividing the MBO Payout by the normal value of the shares at grant date and then proportioning the resulting value to the weight of each individual's position in accordance with point d) above, which, multiplied by the value of the shares on the date of payment, will enable participants to obtain payment of an incentive.

Without limitation to the right of the Chief Executive Officer to provide otherwise, and except for the specific cases listed below in this paragraph, the rights accruing to Participants in relation to vested rights are intrinsically and functionally related and conditioned to the persistence of the participant's employment relationship with the Company at the beginning of the availability period.

Without prejudice to possible exemptions for specific cases as established by the Chief Executive Officer, the following rules will apply to the cases mentioned below:

- a) in the event of termination of employment due to dismissal or resignation, which occurred after the expiration of the period of performance monitoring, but before the availability period, the general principle will apply and thus the participant will permanently and automatically lose the right to obtain the incentive;
- b) in cases of consensual termination of employment or resignation for retirement, or after becoming an invalid, howsoever occurred after the end of the period of performance monitoring, or if the participant has reached the MBO Payout, he / she will retain the right to obtain the incentive if, after the date of termination, the accrual of rights actually occurs;
- c) in case of the participant's death occurring after the end of the period of performance monitoring, or if the participant has reached the MBO payout, the rights possibly accrued by the same under this plan will be awarded to the participant's heirs on production, by the latter, of the necessary documentation proving such qualification.

If, during the period of performance monitoring, the transfer of the participant's employment relationship occurs between the Company and its subsidiaries, regardless of the manner by which such transfer occurred, or the participant's organizational position is changed with a consequent change in the latter's responsibilities, the relevant MBO payout will also be updated in line with the new position.

In any case, the Chief Executive Officer may define an equitable amount payable to the participant in relation to the activities carried out till then.

The provisions described above may be modified by the Chief Executive Officer to ensure Participants a treatment equivalent to the one offered initially.

f) Other Powers Assigned to the Chief Executive Officer

The Chief Executive Officer, having heard the Remuneration Committee's opinion, may temporarily suspend the effects deriving from the accrual of rights for participants in case of specific and particular needs such as, by way of example but not limited to, changes in legal and regulatory provisions, excluding tax provisions, applicable to the legal relationships arising from the Plan.

The suspension of the effects deriving from the accrual of rights for participants will also take place in any case in which such circumstances may occur as, by way of example but not limited to, corporate transactions, mergers and demergers having an effect on the Company's share capital, increase and reduction of the Company's share capital, changes to the Bylaws relating to the Shares such as to affect the conditions governing the implementation of the Plan, possibly altering the economic and financial conditions and jeopardizing its aims as defined in the preceding point a).

The Chief Executive Officer may, in all cases mentioned above and having heard the Remuneration Committee's opinion, amend or integrate the plan, the cycle and the Regulation, or order the lapse of the same plan if it is no longer consistent with the Company's situation, subject to any rights acquired in the meantime as a result of the three-year period of reference having elapsed and the other requirements and conditions of the Regulation being met.

g) Any support for the plan by the special Fund for the encouragement of employee participation in enterprises, pursuant to Art. 4, paragraph 112, of Law No. 350 dated December 24, 2003

Not applicable

1.2. Full representation in Section I of this Report was given of the agreements that provide for indemnity for early termination of contracts; the following information are also provided:

- the possible existence of such agreements, providing negative information if they are not present;

See section I - letter I);

- the criteria for calculating the indemnity payable to each person. If the indemnity is expressed in connection with the annual salary, indicate the components of such annual salary in detail;

See section I - letter I);

- the possible presence of performance criteria which the granting of remuneration is linked to;

Not applicable;

- the possible effects of the employment contract termination on rights granted under incentive plans based on financial instruments or to be disbursed on a cash basis;

See section II I.1 - PART ONE - 1.1; with respect to the long-term monetary incentive plan for directors and key management personnel - letter e); with respect to the long-term monetary incentives Plan linked to the appreciation of Italmobiliare shares for officers - letter e).

Furthermore:

- 1) With respect to the Stock option plan for directors - 2002: the exercise of stock option rights was subject to the condition that the director beneficiary of the Plan had regularly concluded his / her office during the term of which the options had been granted without early resignation being given and without a revocation measure being decided by the shareholders' meeting;
- 2) With respect to the Stock option plan for officers - 2001: as a general rule, stock option rights not yet exercised will not be recognized - except in case of retirement - in the event of interruption of the employment relationship within the Group.

In case of death of the holder of options, these may be exercised by successors within six months of his death provided that such term falls within the period of exercisability of the options.

- cases in which the right to indemnity accrues;

See section I - letter I);

- possible existence of agreements that provide for granting or maintaining non-monetary benefits in favor of persons who have ceased their assignment or entering into consulting contracts for a period following termination of employment;

Not applicable;

- possible existence of agreements that provide for remuneration due to non-competition commitments;

The Company, in general, does not conclude specific non-competition agreements with its Officers with strategic responsibilities, designed to pay consideration in cash, during the employment or after the termination thereof, related to their respective fixed remuneration in relation to the geographical extent, term and kind of business of the constraints arising from the same agreement;

- With reference to the directors who have terminated their office during the financial year, any deviations in defining their indemnity with respect to the provisions of the reference agreement;

Not applicable;

- Where specific agreements are not provided, explain the criteria by which accrued indemnity was defined;

Not applicable.

* . * . *

Dear Shareholders,

We invite you to adopt the following resolution:

“The Shareholders’ Meeting of Italmobiliare S.p.A. held on May _____, 2012,

- having acknowledged the report prepared by the Directors,

hereby resolves

In favor of / against

the first section of the Report on Remuneration illustrated above.

I.2 – PART TWO

Remuneration Paid to Members of the Governing and Supervising Bodies, Chief Operating Officer and other officers with Strategic Responsibilities

Name, last name	Position	Period during which the office was held	End of office term	Fixed remuneration	Remuneration for taking part in committees	Variable non-equity remuneration		Non-monetary benefits	Other remuneration	Total	Fair value of equity remuneration	End-of-service bonus and severance indemnity
						Bonuses and other incentives	Profit sharing					
Giampiero Pesenti	Chairman - Chief Executive Officer Executive Committee	1.1 – 31.12	2013									
(I) Remuneration in the company preparing the financial statements				690,000				228,241	2,346,989	3,265,230	514,344	
(II) Remuneration from subsidiaries and affiliated companies				1,119,719		690,000		256,983		2,066,702		
Total				1,809,719		690,000		485,224	2,346,989	5,331,932	514,344	
Italo Lucchini	Deputy Chairman Remuneration Committee	1.1 – 31.12	2013									
(I) Remuneration in the company preparing the financial statements				148,750	15,000					163,750		
(II) Remuneration from subsidiaries and affiliated companies				80,200	15,000					95,200		
Total				228,950	30,000					258,950		
Carlo Pesenti	Director General Manager	1.1 – 31.12	2013									
(I) Remuneration in the company preparing the financial statements				1,596,679 (*)		875,000 (*)		116,753		2,588,432	387,886	
(II) Remuneration from subsidiaries and affiliated companies												
Total				1,596,679		875,000		116,753		2,588,432	387,886	
Pier Giorgio Barlassina	Director	1.1 – 25.5	-									
(I) Remuneration in the company preparing the financial statements				18,750					104,167	122,917		
(II) Remuneration from subsidiaries and affiliated companies				1,194						1,194		
Total				19,944					104,167	124,111		
Mauro Bini	Director Internal Control Committee Supervising Body Committee for Transactions with Related Parties	1.1 – 31.12	2013									
(I) Remuneration in the company preparing the financial statements				45,000	90,000					135,000		
(II) Remuneration from subsidiaries and affiliated companies												
Total				45,000	90,000					135,000		
Giorgio Bonomi	Director	1.1 - 31.12	2013									
(I) Remuneration in the company preparing the financial statements				45,000	35,000					80,000		
(II) Remuneration from subsidiaries and affiliated companies				45,000						45,000		
Total				90,000	35,000					125,000		
Gabriele Galateri di Genola	Director Remuneration Committee	1.1 - 31.12	2013									
(I) Remuneration in the company preparing the financial statements				45,000	15,000					60,000		
(II) Remuneration from subsidiaries and affiliated companies												
Total				45,000	15,000					60,000		

* Please note that EUR 1,245,000 of the amount reported in column "Fixed remuneration" and the entire amount shown in column "Bonuses and other incentives" are paid by Italmobiliare SpA to its Chief Operating Officer as compensation in favor of Mr. Carlo Pesenti, its Chief Executive Officer, by the subsidiary Italcementi S.p.A., to which the full cost including social charges related to the social security contributions paid by the company and severance indemnity is charged.

Name, last name	Position	Period during which the office was held	End of office term	Fixed remuneration	Remuneration for taking part in committees	Variable non-equity remuneration		Non-monetary benefits	Other remuneration	Total	Fair value of equity remuneration	End-of-service bonus and severance indemnity
						Bonuses and other incentives	Profit sharing					
Jonella Ligresti	Committee for Transactions with Related Parties	1.1 - 31.12	2013									
(I) Remuneration in the company preparing the financial statements				45,000	38,333					83,333		
(II) Remuneration from subsidiaries and affiliated companies												
Total				45,000	38,333					83,333		
Sebastiano Mazzoleni	Director	25.5 - 31.12	2013									
(I) Remuneration in the company preparing the financial statements				26,250						26,250		
(II) Remuneration from subsidiaries and affiliated companies				74,000						74,000		
Total				100,250						100,250		
Luca Minoli	Director	1.1 - 31.12	2013									
(I) Remuneration in the company preparing the financial statements				45,000					166	45,166		
(II) Remuneration from subsidiaries and affiliated companies									2,167	2,167		
Total				45,000					2,333	47,333		
Gianemilio Osculati	Director	25.5 - 31.12	2013									
(I) Remuneration in the company preparing the financial statements				26,250						26,250		
(II) Remuneration from subsidiaries and affiliated companies												
Total				26,250						26,250		
Giorgio Perolari	Director Executive Committee Internal Control Committee Remuneration Committee Committee for Transactions with Related Parties	1.1 - 31.12	2013									
(I) Remuneration in the company preparing the financial statements				90,000	88,333					178,333		
(II) Remuneration from subsidiaries and affiliated companies												
Total				90,000	88,333					178,333		
Clemente Rebecchini	Director	25.5 - 31.12	2013									
(I) Remuneration in the company preparing the financial statements				26,250						26,250		
(II) Remuneration from subsidiaries and affiliated companies												
Total				26,250						26,250		
Livio Strazzera	Director Executive Committee	1.1 - 31.12	2013									
(I) Remuneration in the company preparing the financial statements				90,000						90,000		
(II) Remuneration from subsidiaries and affiliated companies												
Total				90,000						90,000		
Paolo Sfameni	Director Supervising Body	25.5 - 31.12	2013									
(I) Remuneration in the company preparing the financial statements				26,250	23,333					49,583		
(II) Remuneration from subsidiaries and affiliated companies												
Total				26,250	23,333					49,583		
Francesco Saverio Vinci	Director	1.1 - 25.5	-									
(I) Remuneration in the company preparing the financial statements				18,750						18,750		
(II) Remuneration from subsidiaries and affiliated companies												
Total				18,750						18,750		
Francesco	Chairman of the Board of Statutory Auditors	25.5 - 31.12	2013									

Name, last name	Position	Period during which the office was held	End of office term	Fixed remuneratio n	Remuneratio n for taking part in committees	Variable non-equity remuneration		Non- monetary benefits	Other remuneratio n	Total	Fair value of equity remuneratio n	End-of- service bonus and severance indemnity
						Bonuses and other incentives	Profit sharing					
Di Carlo												
				59,500						59,500		
				Total						59,500		
Mario Cera	Chairman of the Board of Statutory Auditors	1.1 - 25.5	-									
				26,875						26,875		
				Total						26,875		
Angelo Casò	Regular Auditor	25.5 – 31.12	2013									
				39,667						39,667		
				Total						39,667		
Leonardo Cossu	Regular Auditor	1.1 – 31.12	2013									
				59,388						59,388		
				Total						59,388		
Luigi Guatri	Regular Auditor	1.1 - 25.5	-									
				17,917						17,917		
				Total						17,917		
Giorgio Moroni	Responsible Manager	1.1 – 31.12	2013									
				470,000		188,500		9,129	31,564	699,193	108,707	
				Total		188,500		9,129	31,564	699,193	108,707	

Remuneration for each office when the amount reported in the above table are in aggregate form

Fixed remuneration

Giampiero Pesenti	<u>Italmobiliare S.p.A.:</u>	
	Remuneration as Director	45,000
	Remuneration as Executive Committee Member	45,000
	Fixed remuneration	600,000
	<u>Subsidiaries and affiliated companies:</u>	
	<u>Italcementi S.p.A.:</u>	
	Remuneration as Director	45,000
	Remuneration as Executive Committee Member	45,000
	Fixed remuneration	950,000
	<u>Ciments Français S.A.:</u>	
	Remuneration as Director	35,500
	<u>Finter Bank Zürich:</u>	
	Remuneration as Director	40,693
	<u>Fincomind:</u>	
	Remuneration as Director	3,526
Italo Lucchini	<u>Italmobiliare S.p.A.:</u>	
	Remuneration as Director	45,000
	Remuneration as Executive Committee Member	45,000
	Fixed remuneration	58,750
	<u>Subsidiaries and affiliated companies:</u>	
	<u>Italcementi S.p.A.:</u>	
	Remuneration as Director	45,000
	<u>Ciments Français S.A.:</u>	
	Remuneration as Director	29,000
	<u>Azienda Agricola Lodoletta S.p.A.:</u>	
	Remuneration as Director	6,200
Carlo Pesenti	Remuneration as Director	45,000
	Remuneration as Executive Committee Member	45,000
	Fixed remuneration	1,506,679
Livio Strazzera	Remuneration as Director	45,000
	Remuneration as Executive Committee Member	45,000
Giorgio Perolari	Remuneration as Director	45,000
	Remuneration as Executive Committee Member	45,000

Remuneration for the Board committees' members

Mauro Bini	Internal Control Committee	35,000
	Committee for Transactions with related parties	38,333
	Supervising Body	16,667

Giorgio Perolari	Internal Control Committee	35,000
	Committee for Transactions with related parties	38,333
	Remuneration Committee	15,000

Stock-options Granted to Members of the Governing and Supervising Bodies, Chief Operating Officer and other Officers with Strategic

Responsibilities

			Options held at the beginning of the financial year			Options granted during the financial year						Options exercised during the financial year			Options expired during the financial year	Options held at the end of the financial year	Options accrued in the financial year		
A	B	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15) =(2)+(5).11. 14	(16)		
Name, last name	Position	Plan	Number of options	Exercise price	Period of possible exercise (from-to)	Number of options	Exercise price	Period of possible exercise (from-to)	Fair value as of the grant date	Grant date	Market price of shares underlying the granting of options	Number of options	Exercise price	Market price of underlying shares as of the date of exercise	Number of options	Number of options	Fair value		
Giampiero Pesenti	Chairman - Chief Executive Officer																		
(I) Remuneration in the company preparing the financial statements	Stock option plan for directors (BoD resolution 27,03,2002)		45,000	35.199	01.01.2007 31.12.2013	-	-	-	-	-	-	-	-	-	-	45,000	-		
			55,000	54.535	30.03.2008 29.03.2015	-	-	-	-	-	-	-	-	-	-	-	55,000	-	
			55,000	65.701	21.03.2009 20.03.2016	-	-	-	-	-	-	-	-	-	-	-	-	55,000	-
			60,000	86.069	21.03.2010 20.03.2017	-	-	-	-	-	-	-	-	-	-	-	-	60,000	-
			60,000	59.908	28.03.2011 27.03.2018	-	-	-	-	-	-	-	-	-	-	-	-	60,000	86,047
			53,000	28.834	24.03.2013 23.03.2020	-	-	-	-	-	-	-	-	-	-	-	-	53,000	163,956
			-	-	-	-	48,000	27.469	30.03.2014 29.03.2021	2.937	30.03.2011	28.37	-	-	-	-	-	48,000	105,750
(II) Remuneration from subsidiaries and affiliated companies	ITALCEMENTI S.P.A. Stock option plan for directors (BoD resolution 9,05,2001)		150,000	13.3871	17.03.2008 16.03.2015	-	-	-	-	-	-	-	-	-	-	150,000	-		
			150,000	16.89	07.03.2009 06.03.2016	-	-	-	-	-	-	-	-	-	-	150,000	-		
			150,000	23.049	07.03.2010 06.03.2017	-	-	-	-	-	-	-	-	-	-	150,000	-		
Total			778,000	-	-	48,000	-	-	-	-	-	-	-	-	-	826,000	355,753		
Carlo Pesenti	General Manager																		
(I) Remuneration in the company preparing the financial statements	Stock option plan for directors (BoD resolution 27,03,2001)		24,500	35.199	01.01.2007 31.12.2013	-	-	-	-	-	-	-	-	-	-	24,500	-		
			37,500	54.535	30.03.2008 29.03.2015	-	-	-	-	-	-	-	-	-	-	37,500	-		
			37,500	65.701	21.03.2009 20.03.2016	-	-	-	-	-	-	-	-	-	-	37,500	-		
			40,000	86.069	21.03.2010	-	-	-	-	-	-	-	-	-	-	40,000	-		

			Options held at the beginning of the financial year			Options granted during the financial year						Options exercised during the financial year			Options expired during the financial year	Options held at the end of the financial year	Options accrued in the financial year
A	B	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15) =(2)+(5).11. 14	(16)
Name, last name	Position	Plan	Number of options	Exercise price	Period of possible exercise (from-to)	Number of options	Exercise price	Period of possible exercise (from-to)	Fair value as of the grant date	Grant date	Market price of shares underlying the granting of options	Number of options	Exercise price	Market price of underlying shares as of the date of exercise	Number of options	Number of options	Fair value
					20.03.2017												
			35,500	59.908	28.03.2011 27.03.2018	-	-	-	-	-	-	-	-	-	-	35,500	50,911
		Stock option plan for directors	35,800	28.834	24.03.2013 23.03.2020	-	-	-	-	-	-	-	-	-	-	35,800	110,747
		(BoD resolution 27.03.2002)	-	-	-	30,700	27.469	30.03.2014 29.03.2021	2.937	30.03.2011	28.37	-	-	-	-	30,700	67,636
(II) Remuneration from subsidiaries and affiliated companies		ITALCEMENTI S.P.A. Stock option plan for directors	135,000	13.3871	17.03.2008 16.03.2015	-	-	-	-	-	-	-	-	-	-	135,000	-
		(BoD resolution 9.05.2001)	85,000	16.89	07.03.2009 06.03.2016	-	-	-	-	-	-	-	-	-	-	85,000	-
			200,000	23.049	07.03.2010 06.03.2017	-	-	-	-	-	-	-	-	-	-	200,000	-
Total			630,800	-	-	30,700	-	-	-	-	-	-	-	-	-	661,500	229,294
Giorgio Moroni	Responsible Manager		-			-											
(I) Remuneration in the company preparing the financial statements		Stock option plan for directors (BoD resolution 27.03.2001)	-	-	-	14,150	27.469	30.03.2014 29.03.2021	2.937	30.03.2011	28.37	-	-	-	-	14,150	31,174
(II) Remuneration from subsidiaries and affiliated companies			-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total			-			14,150										14,150	31,174

Incentive Plans Based on Financial Instruments, Other Than Stock Options in Favor of Members of the Governing and Supervising Bodies, Chief

Operating Officer and other Officers with Strategic Responsibilities

		Financial instruments granted in previous fiscal years not vested during the year			Financial instruments granted during the financial year					Financial instruments vested during the year and not attributed	Financial instruments vested during the year and not attributed		Financial instruments for the year
A	B	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)
Name, last name	Position	Plan	Number and type of financial instruments	Vesting period	Number and type of financial instruments	Fair value as of the grant date	Vesting period	Grant date	Market price as of grant date	Number and type of financial instruments	Number and type of financial instruments	Value as of vesting date	Fair value
Giampiero Pesenti	Chairman - Chief Executive Officer												
(I)	Remuneration in the company preparing the financial statements	Shareholders' resolution 25.05.2011	Monetary incentive plan for directors and officers with strategic responsibilities		Range 23,000 – 35,000	28.6337	25.05.2011 31.12.2013	25.05.2011	25.99				158,591
(II)	Remuneration from subsidiaries and affiliated companies	-											
Total													158,591
Carlo Pesenti	Member Chief Operating Officer												
(I)	Remuneration in the company preparing the financial statements	Shareholders' resolution 25.05.2011	Monetary incentive plan for directors and officers with strategic responsibilities		Range 23,000 – 35,000	28.6337	25.05.2011 31.12.2013	25.05.2011	25.99				158,591
(II)	Remuneration from subsidiaries and affiliated companies	-											

			Financial instruments granted in previous fiscal years not vested during the year		Financial instruments granted during the financial year					Financial instruments vested during the year and not attributed	Financial instruments vested during the year and not attributed		Financial instruments for the year
A	B	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)
Name, last name	Position	Plan	Number and type of financial instruments	Vesting period	Number and type of financial instruments	Fair value as of the grant date	Vesting period	Grant date	Market price as of grant date	Number and type of financial instruments	Number and type of financial instruments	Value as of vesting date	Fair value
Total													158,591
Giorgio Moroni	Responsible Manager												
(I)	Shareholders' resolution 25.05.2011	Monetary incentive plan for directors and officers with strategic responsibilities			Range 10,000 – 15,000	28.6337	25.05.2011 31.12.2013	25.05.2011	25.99				77,533
(II)	-												
Total													77,533

Monetary Incentive Plans in Favor of Members of the Governing and Supervising Bodies, Chief Operating Officer and other Officers with Strategic Responsibilities

Last name, name	Position	Plan	Bonus for the year			Bonus for previous years			Other bonuses
			Payable / disbursed	Deferred	Deferment period	Not payable any more	Payable / disbursed	Still deferred	
Giampiero Pesenti	Chairman - Chief Executive Officer								
(I) Remuneration in the company preparing the financial statements	March 30, 2011	Annual MBO							
(II) Remuneration from subsidiaries and affiliated companies	February 3, 2011	Three-year LTI		Max 1,092,500*				Max 1,092,500**	
	March 4, 2011	Annual MBO	690,000						
Total			690,000						
Carlo Pesenti	Director General Manager								
(I) Remuneration in the company preparing the financial statements	March 30, 2011	Annual MBO	875,000						
(II) Remuneration from subsidiaries and affiliated companies	February 3, 2011	Three-year LTI		Max 1,437,500*				Max 1,437,500**	
Total			875,000						
Giorgio Moroni	Responsible Manager								
(I) Remuneration in the company preparing the financial statements	March 30, 2011	Annual MBO	188,500						
(II) Remuneration from subsidiaries and affiliated companies									
Total			188,500						

* Theoretical portion of the 2010.2012 LTI plan accrued in financial year 2011

** Theoretical portion of the 2010.2012 LTI plan accrued in financial year 2010

ITALMOBILIARE

Participation of Governing and Supervising Bodies, Chief Operating Officer and Manager in charge of Preparing the Company's Financial Reports

NAME, LAST NAME	POSITION	COMPANY HELD	NUMBER OF SHARES HELD AT THE END OF THE PREVIOUS FINANCIAL YEAR	NUMBER OF SHARES PURCHASED	NUMBER OF SHARES SOLD	NUMBER OF SHARES HELD AT THE END OF THE CURRENT FINANCIAL YEAR
Giampiero Pesenti	Chairman Chief Executive Officer	ITALMOBILIARE	ordinary shares: 27,623 ¹ savings shares: 2,467 ²	ordinary shares: - savings shares: -	ordinary shares: - savings shares: -	ordinary shares: 27,623 ¹ savings shares: 2,467 ¹
		ITALCEMENTI	ordinary shares: 10,972 ² savings shares: 22,698 ¹	ordinary shares: - savings shares: -	ordinary shares: - savings shares: -	ordinary shares: 10,972 ² savings shares: 22,698 ¹
Italo Lucchini	Deputy Chairman	CIMENTS FRANÇAIS	ordinary shares: 50	ordinary shares: -	ordinary shares: -	ordinary shares: 50
Carlo Pesenti	Director General Manager	ITALMOBILIARE	ordinary shares: 16,441	ordinary shares: -	ordinary shares: -	ordinary shares: 16,441
		ITALCEMENTI	ordinary shares: 1,500 ² savings shares: 3,000 ²	ordinary shares: - savings shares: -	ordinary shares: - savings shares: -	ordinary shares: 1,500 ² savings shares: 3,000 ²
		CIMENTS FRANÇAIS	ordinary shares: 50	ordinary shares: -	ordinary shares: -	ordinary shares: 50
Giorgio Barlassina	Director	ITALMOBILIARE	ordinary shares: 1,500	ordinary shares: -	ordinary shares: -	ordinary shares: 1,500
Giorgio Bonomi	Director	ITALCEMENTI	ordinary shares: 2,500	ordinary shares: -	ordinary shares: -	ordinary shares: 2,500
Sebastiano Mazzoleni	Director	ITALMOBILIARE	ordinary shares: 2,100	ordinary shares: -	ordinary shares: -	ordinary shares: 2,100
		ITALCEMENTI	ordinary shares: 7,352 savings shares: 7,040	ordinary shares: - savings shares: -	ordinary shares: - savings shares: -	ordinary shares: 7,352 savings shares: 7,040
Giorgio Perolari	Director	ITALMOBILIARE	ordinary shares: 16,735 savings shares: 8,800 ¹	ordinary shares: - savings shares: -	ordinary shares: - savings shares: -	ordinary shares: 16,735 savings shares: 8,800 ¹
		ITALCEMENTI	ordinary shares: 20,280 savings shares: 130,000 ²	ordinary shares: - savings shares: -	ordinary shares: - savings shares: -	ordinary shares: 20,280 savings shares: 130,000 ²
Livio Strazzera	Director	ITALMOBILIARE	ordinary shares: 100	ordinary shares: -	ordinary shares: -	ordinary shares: 100
Leonardo Cossu	Regular Auditor	ITALMOBILIARE	ordinary shares: 1,000	ordinary shares: -	ordinary shares: -	ordinary shares: 1,000
Luigi Guatri	Regular Auditor	ITALCEMENTI	savings shares: 10,000	savings shares: -	savings shares: -	savings shares: 10,000
Giorgio Moroni	Responsible Manager	CREDIT MOBILIER DE MONACO	ordinary shares: -	ordinary shares: 10	ordinary shares: -	ordinary shares: 10

¹ Shares in part held directly and in part by spouse

² Shares held by spouse