



*Annual Report on the system of Corporate Governance and compliance with the Code of Self-Regulation for Listed Companies (pursuant to Section IA.2.14 of the Regulations issued by Borsa Italiana S.p.A.) - year 2005  
Approved by the Board of Directors of I.M.A. Industria Macchine Automatiche Spa on 23 March 2006.*

## **INTRODUCTION**

This report, prepared pursuant to art. IA.2.14 of the Instructions to the Regulations for Markets Organized and Managed by Borsa Italiana Spa, provides information on the model of corporate governance adopted by I.M.A. Industria Macchine Automatiche Spa (hereinafter "IMA" or the "Company") and on the adoption by the company of the Code of Self-Regulation for listed companies, as revised in July 2002 (hereinafter the "Code").

The current report takes account of the Guidelines issued by Borsa Italiana on 12 February 2003, as well as the "Guide to preparing *Corporate Governance* reports" issued in February 2004 by Assonime and Emittenti Titoli Spa.

### **Part I**

#### **GOVERNANCE SYSTEM AND MECHANISM**

The system of corporate governance adopted by IMA envisages the distribution of functions and powers in accordance with the traditional form of corporate governance, represented by the Stockholders' Meeting, the Board of Directors and the Board of Statutory Auditors.

The **Stockholders' Meeting**, properly convened and quorate, represents all the stockholders and resolutions adopted in accordance with legal requirements bind every stockholder.

The Stockholders' Meeting, called by the Directors in the municipality of the registered offices or elsewhere in the European Union or Switzerland, is chaired by the Chairman of the Board of Directors or, in the event of absence or impediment, by another person present at the Meeting who is elected by a simple majority of the stockholders. The stockholders with voting rights have the right to attend the Stockholders' Meeting and to appoint proxies in the manner established by law.

The ordinary and extraordinary stockholders' meetings are held in the circumstances and on the basis established by law.

The quorums and the resolutions adopted by the ordinary and the extraordinary stockholders' meeting are governed by the related regulations.

The **Board of Directors**, consisting of a minimum of five and a maximum of fifteen directors, exercises the widest powers of ordinary and extraordinary administration of the company.

The stockholders' meeting fixes the number of directors and the length of their mandate, which cannot however exceed three years.

Directors are eligible for re-election. The meetings of the Board of Directors may be held using telecommunications facilities.

The Board of Directors elects a Chairman and, if required, one or more Deputy Chairmen, if they have not already been appointed by the Stockholders' Meeting.

The Board of Directors has established an internal **Remuneration Committee** and an **Internal Control Committee**.

The **Board of Statutory Auditors** comprises three serving Auditors and three alternate Auditors who are appointed at the Stockholders' Meeting and remain in office for three years.

The honorability and professionalism requirements are those established by current regulations.

The Board of Statutory Auditors monitors compliance with the law and the statute, as well as the provision of proper information and the adequacy of IMA's organisation in terms of available skills, the system of internal control and the accounting and administrative system, together with the reliability of this last system in terms of properly presenting events and the results of operations.



## **I.M.A. Industria Macchine Automatiche Spa**

### *Corporate Governance Report*

together with the reliability of this last system in terms of properly presenting events and the results of operations.

The statute contains clauses to ensure that one serving auditor and one alternative auditors are elected by the minority shareholders.

The stockholder that controls IMA is FinVacchi - Finanziaria Vacchi Spa.

## **Part II**

### **INFORMATION ON CORPORATE GOVERNANCE CODE IMPLEMENTATION**

#### **- Board of Directors**

##### *Distribution and Delegation of Board Powers*

##### *I) Information on Board Powers and Delegated Authority*

The Board of Directors is responsible for the strategic and organizational guidelines and, as such, for identifying the corporate objectives and checking that they are achieved.

In addition to the powers that cannot be delegated, the following powers are reserved solely for the Board of Directors meeting together, as required by art. 1.2 of the Code:

- approval of the Company's strategic, industrial and financial plans, as well as all decisions regarding the corporate structure of the Group;
- approval of all transactions of economic or financial significance to the Company and, in any case, all transactions with a value in excess of 10 (ten) million euro, except for the renewal or extension of bank lines of credit already granted to the Company, the powers for which can be delegated;
- approval of all proposed transactions with related parties, except for those between the Company and its subsidiaries, for which the Board must always approve transactions of economic or financial significance.

##### *II) Distribution of Expertise*

Art. 18 of the statute envisages that the Board of Directors may delegate all or some of its powers to an Executive Committee. The Executive Committee adopts resolutions by an absolute majority of the votes of those present; for resolutions to be valid, a majority of the Committee members must be present in person. The Executive Committee has not however been established.

##### *III) Delegating Authority to the Chairman: Describing and Reporting Obligations*

Pursuant to art. 22 of the Statute, the Chairman of the Board of Directors is the legal representative of the company and signs on its behalf.

Art. 17 of the Statute envisages that meetings of the Board of Directors are called by the Chairman of the Board of Directors.

The Chairman of the Board of Directors also coordinates the work of the Board and ensures that all directors are supplied with adequate information about the matters placed on the agenda for discussion.

The Chairman of the Board of Directors is also the company's Chief Executive Officer.

The Board of Directors specifically delegated all powers for the ordinary and extraordinary administration of the company to the Chairman and Chief Executive Officer on 5 May 2003, with the sole exception of the following powers that were not delegated:

- the power to purchase, sell, exchange, contribute, swap, transfer or receive, on any basis and for whatever reason, shares or equity interests in companies, associations or bodies;
- the power to purchase, sell, exchange, contribute, swap, transfer or receive, on whatever basis and for whatever reason, including for rental or other purposes, lines of business, businesses or business units of any kind;



## **I.M.A. Industria Macchine Automatiche Spa**

### *Corporate Governance Report*

- the power to purchase, sell, exchange, contribute, swap, transfer or receive, on whatever basis and for whatever reason, including rentals for more than nine years, of real estate in the form of either land or buildings;
- the power to give secured or other guarantees, and give sureties or letters of patronage, except (in relation to the sureties and letters of patronage) for those given on behalf of direct or indirect subsidiaries of the Company;
- the power to concede enjoyment rights over the real estate of the Company;

#### *IV) Frequency of Meetings*

The Board of Directors meets at regular intervals, at least once every three months, to approve the quarterly reports as of 31 December, 31 March and 30 September, as well as to approve the report for the semester ended 30 June and the draft financial statement as of 31 December each year.

The Board of Directors met six times during 2005.

The frequency with which Directors attended the meetings of the Board of Directors is summarized in Table I below.

#### *V) Role of the Board of Directors*

Pursuant to art. 18 of the Statute, the Board of Directors exercises the widest powers of ordinary and extraordinary administration of the company, is responsible for determining its strategic and operational guidelines, and can appoint one or more executive officers and an executive committee.

#### *VI) Transactions Having a Significant Impact*

In accordance with art. 17 of the Statute, the Directors with delegated powers provide the information required by art. 150 of Decree 58/98 and art. 2381 of the Italian Civil Code to the Board of Directors and the Board of Statutory Auditors, at least every three months, at the time of Board meetings or in a written communication.

Similarly, the committees with delegated powers provide adequate information to the Board of Directors and the Board of Statutory Auditors regarding any non-operating or unusual transactions or transactions with related parties, where the assessment and approval of such transactions are not reserved for the Board of Directors.

#### *VII) Reporting on Delegations of Authority*

By a resolution adopted on 5 May 2003, the Board of Directors granted specific operating powers to ALBERTO VACCHI, Executive Officer, and ANDREA MALAGOLI, Director.

By a resolution adopted on 29 September 1997, the Board of Directors delegated specific powers to the General Manager, STEFANO VISENTINI, who was subsequently appointed as a Director.

STEFANO VISENTINI resigned as general manager of the company with effect from 23 February 2006, but remained as a director.

Commencing from 23 February 2006, the position of general manager was taken by ALBERTO VACCHI, who is also a Chief Executive Officer.

#### *VIII) Transactions Involving Related Parties*

The Board of Directors has reserved for itself all powers in relation to transactions with related parties, as defined in the combined provisions of art. 2391 *bis* of the Italian Civil Code, art. 71 *bis* of Consob Regulation 11971/1999 and Consob Communication DEM/2064231 dated 30/9/2002, with the sole exception of transactions between the company and its subsidiaries.

#### Board Membership

Art. 15 of the Statute envisages that the Board of Directors may comprise a variable number of members, from five to fifteen.

The Board of Directors currently comprises twelve Directors.



## **I.M.A. Industria Macchine Automatiche Spa**

### *Corporate Governance Report*

- MARCO	VACCHI	Chairman and Chief Executive Officer
- ALBERTO	VACCHI	Chief Executive Officer and General Manager
- ANDREA	MALAGOLI	Director with Powers
- STEFANO	VISENTINI	
- ITALO GIORGIO	MINGUZZI	
- GINO	BENEDETTI	
- PAOLO	BRAGHIERI	
- PAOLO	DARI	
- LUCA	POGGI	
- MARIA CARLA	SCHIAVINA	
- GIANLUCA	VACCHI	
- ROMANO	VOLTA	

Certain of the above Directors are also Directors or Statutory Auditors of other companies listed in regulated markets, or of finance companies, banks, insurance companies or other large companies; the most significant of which are listed below:

- MARCO VACCHI: Fin Vacchi Finanziaria Vacchi S.p.A. (Chairman); Lopam Fin S.p.A. (Chairman); B Group S.p.A. (Deputy Chairman); Banca di Bologna Credito Cooperativo SCRL (Chairman);
- ALBERTO VACCHI: Fin Vacchi Finanziaria Vacchi S.p.A. (Director); B Group S.p.A. (Director); ALVA s.r.l. (Sole Director);
- ANDREA MALAGOLI: Fin Vacchi Finanziaria Vacchi S.p.A. (Managing Director);
- ITALO GIORGIO MINGUZZI: Ferretti S.p.A. (Auditor); Ducati S.p.A. (Auditor)
- GINO BENEDETTI: Penta S.r.l. (Director); Centrocasa S.r.l. (Director)
- PAOLO BRAGHIERI: Interbanca Gestione Investimenti SGR S.p.A. (Director), FINSIEL S.p.A. (Director), BIOS Interbanca S.p.A. (Chairman), Sorin (Director);
- LUCA POGGI: Emil Europe '92 S.r.l. under liquidation (Chairman of the Board of Auditors), Immobiliare Nettuno S.p.A. (Auditor); Consumer Financial Service S.r.l. (Auditor); Farbanca S.p.A. (Chairman of the Board of Auditors); Società del Vetro S.p.A. (Director); Finglass S.p.A. (Director); Finvetro S.p.A. (Director); Fariniundici S.r.l. (Sole Director); S.E.A. Società Europea Autocaravan S.p.A. (Auditor); Sea Industries S.p.A. (Auditor).
- MARIA CARLA SCHIAVINA: Fin Vacchi Finanziaria Vacchi S.p.A. (Director); Immobiliare Schiavina S.r.l. (Deputy Chairman); Schiavina S.r.l. (Deputy Chairman)
- GIANLUCA VACCHI: Fin Vacchi Finanziaria Vacchi S.p.A. (Director); Cofiva Holding S.p.A. (Sole Director); G.V. Invest S.r.l. (Sole Director); AL.GI. S.r.l. (Sole Director); W.I.N. Web Investment Network N.V. (Director); Cofiva S.A. (Director); Medinvest International SCA (Member of Supervisory Board); SEA Industries S.p.A. (Director); Società del Vetro S.p.A. (Chairman); Finglass S.p.A. (Chairman); Finvetro S.p.A. (Chairman); GV Finanziaria S.r.l. (Sole Director); Eleven Finanziaria S.r.l. (Sole Director);
- ROMANO VOLTA: Datalogic S.p.A. (Chairman); Datasensor S.p.A. (Chairman); Aczon Pharma S.p.A. (Chairman); San Paolo IMI Fondi Chiusi SGR S.p.A. (Director); Summa Finance (Chairman); Hydra S.p.A. (Chairman); Bio-D S.r.l. (Sole Director); Palazzo Legnani Pizzardi S.r.l. (Sole Director); Intermirifica S.r.l. (Director); Fortitudo Pallacanestro (Director).

The Statute does not contain specific clauses regarding the composition of the Board of Directors, the representation of minority interest or the number of independent directors.

Neither does the Statute specify particular requirements for the honorability, professionalism and independence of the persons appointed as directors.

### Non-Executive and Independent Directors

The Board of Directors of the company includes seven non-executive directors who guarantee - given their number and authoritativeness - that their opinion carries significant weight in the making of Board decisions.



## **I.M.A. Industria Macchine Automatiche Spa**

### *Corporate Governance Report*

As required by art. IA.2.12.4 of the Instructions to the Regulations for Markets Organized and Managed by Borsa Italiana Spa, the non-executive directors include three directors who are independent in that they:

a) do not have, and have not recently had, whether directly, indirectly or on behalf of third parties, any significant economic links that might impair their independent judgment with the Company, its subsidiaries, the executive directors, or the stockholder or group of stockholders that controls the Company;

b) do not hold, directly, indirectly or on behalf of third parties, equity interests allowing them to control or exercise significant influence over the Company, nor do they participate in stockholders' agreements to control the Company;

c) are not close members of the families of the Company's executive directors or of parties in the positions described in points a) and b). The Board of Directors assesses the independence of the Directors on an annual basis, having regard for the information supplied by the persons concerned.

The independent directors are:

- ITALO GIORGIO MINGUZZI
- GINO BENEDETTI
- ROMANO VOLTA

The Board of Directors, working together, assesses the independence of each director every six months.

### Board Committees

The Board of Directors has established a Remuneration Committee and an Internal Control Committee with consultative functions and the power to make recommendations.

#### *I) Remuneration Committee*

The Remuneration Committee comprises solely non-executive directors, one of whom is independent:

- LUCA POGGI
- MARIA CARLA SCHIAVINA
- ROMANO VOLTA

The task of the Remuneration Committee is to make proposals to the Board of Directors concerning the remuneration of the Chief Executive Officers and directors with specific powers, as well as, at the request of the Chief Executive Officers, on the criteria to be adopted for remunerating the company's senior managers.

The proposals concerning the remuneration of the Chief Executive Officers and the directors with specific powers are presented in the absence of those concerned.

A significant element of the remuneration of MARCO VACCHI, Chairman of the Board of Directors and Chief Executive Officer, ALBERTO VACCHI, Chief Executive Officer, and ANDREA MALAGOLI, Director with powers, is linked to the results achieved by the company during 2005.

The Remuneration Committee did not make recourse to external consultants during 2005.

The Remuneration Committee met twice during 2005.

#### *II) Internal Control Committee*

The Internal Control Committee has consultative functions and the power to make recommendations; it comprises solely non-executive directors, the majority of whom are independent:

- ITALO GIORGIO MINGUZZI Chairman
- MARIA CARLA SCHIAVINA
- ROMANO VOLTA

The Internal Control Committee (a) assists the Board of Directors in the performance of its duties regarding the system of internal controls; (b) evaluates the work program prepared by the internal audit manager and receives periodic reports from this person; (c) evaluates the



## **I.M.A. Industria Macchine Automatiche Spa**

### *Corporate Governance Report*

adequacy of the accounting policies adopted, together with the managers of the company and the auditors; (d) evaluates the proposals made by auditing firms wishing to be appointed, as well as audit plans and results presented in the auditors' reports; (e) reports to the Board on its activity and the adequacy of the internal control system at least every six months, at the time the half-yearly and annual financial statements are approved; (f) performs any other tasks assigned to the Committee by the Board of Directors, especially liaison with the independent auditors.

The meetings are attended by the Chairman of the Board of Statutory Auditors or, if unavailable, by his nominee.

There were five meetings of the Internal Control Committee during 2005.

### **- Corporate Functions and Procedures**

#### *Procedures for the Handling of Confidential Information*

##### *I) Handling of Confidential Information*

The Board of Directors has not approved a specific procedure for the management and handling of confidential information.

The delegated directors are currently responsible for the internal administration of confidential information and they have arranged to make the required public disclosures about "price sensitive" information.

Communications from the company follow the principles contained in the "Guide to Market Information" issued by Borsa Italiana in June 2002 and in Section IA.2.17 of the Instructions to the Regulations of Borsa Italiana.

##### *II) Internal Dealing Code*

As required in the Regulations of Borsa Italiana Spa, the company has adopted a Code of Conduct for *Internal Dealing* (available from the company's website: <http://www.ima.it>).

This Code of Conduct covers the information that "relevant persons" must provide to the Company so that the market can be informed, on the basis and timing established in the "Regulations for markets organized and managed by Borsa Italiana Spa" and related instructions, about transactions involving the financial instruments issued by IMA.

The "relevant persons" identified by the company comprise not only the members of the Board of Directors and the Board of Statutory Auditors, but also ANTONELLA MIGLIORI, Manager of Management Accounting, and SERGIO MARZO, Special Finance and Planning Manager.

In accordance with the Code of Conduct, the "Relevant Persons" identified above must provide quarterly information on their transactions in the company's shares if the value of such transactions is equal to or exceeds € 50,000.00, while transactions in excess of € 250,000.00 must be disclosed immediately.

Based on the information received, IMA arranges to inform the market on a timely basis.

#### *Appointment Procedures for Members of the Board of Directors and the Board of Statutory Auditors*

##### *I) Slate Voting*

The Company's Statute makes no provision for the adoption of list voting procedures for the appointment of directors.

##### *II) Proposal for Appointments and Dissemination of Information*

At the time of nominating the Board of Directors of IMA, the majority stockholder, FinVacchi - Finanziaria Vacchi Spa, filed its nominations for Directors and Statutory Auditors at the registered offices of the company during the ten-day period prior to the Stockholders' Meeting, accompanied with full information about the personal and professional characteristics of the candidates.

With regard to the Independent directors, a check was performed that they meet the requirements established in Art. 2.2.3, para. 3.k) of the Regulations for Markets Organized and Managed by Borsa Italiana Spa.



**I.M.A. Industria Macchine Automatiche Spa**  
*Corporate Governance Report*

*The Internal Control System*

The company's system of internal control comprises a series of processes designed to monitor the efficiency of business operations, the reliability of financial information, compliance with the law and regulations, and the safeguarding of company assets.

ADRIANO SALA has been appointed as Internal Control Manager, pursuant to and for the effects of art. 150 of Decree 58/98.

The Internal Control Manager does not report to the parties subject to verification and reports periodically on his activities to the Chief Executive Officers, the Internal Control Committee and the Board of Statutory Auditors.

*The Investor Relations Functions*

In order to establish a dialog with the stockholders and institutional investors, founded on an understanding of the reciprocal roles, SERGIO MARZO has been appointed as the investor relations manager required by art. 12 of the Code of Self-Regulation and art. 2.2.3 of the Regulation for Markets Organized and Managed by Borsa Italiana Spa.

**- Stockholders' Meetings**

The Stockholders' Meeting held on 5 May 2000 approved the regulations for stockholders' meetings (available from the company's website: <http://www.ima.it>) which govern the orderly and functional conduct of the company's stockholders' meetings, partly with a view to encouraging the widest possible participation by stockholders.

**- Meetings of the Board of Statutory Auditors**

*Appointments to the Board of Auditors*

Art. 23 of the Statute establishes that persons cannot be elected as statutory auditors, or their mandate lapses, if they also serve as a statutory auditor in more than five further Italian companies listed on Italian regulated markets.

The number of appointments held by the Statutory Auditors is summarised in Table II set out below.

The above article also requires the adoption of a system of list voting for the appointment of statutory auditors, to protect the rights of minority stockholders.

Lists may only be presented by stockholders who alone or together with other stockholders own at least three percent of the company's share capital. These lists, comprising two sections - one for the appointment of serving Auditors and the other for the appointment of alternate Auditors - must indicate a number of candidates that does not exceed the number to be elected.

Each stockholder may present or participate in the presentation of just one list and each candidate may only be present on one list or, otherwise, will be ineligible for election. The lists containing the names of candidates must be filed by the stockholders at the registered offices, at least 10 days prior to the date set for the stockholders' meeting, in first calling.

By the above deadline, the professional curriculums of each candidate must be filed together with each list, including a declaration from each candidate accepting the nomination and confirming that there are no conflicts of interest or reasons why they cannot be elected, and that they meet the requirements of office set down in the regulations and the Statute.

The Statute envisages that at least one of the elected serving Auditors and at least one of the elected alternate Auditors must be a registered auditor with at least three years' experience of official audit work. The Statutory Auditors who do not meet this requirement must have accumulated at least three years' of uninterrupted experience in a role with executive functions in a company listed by Borsa Italiana Spa, or in a professional activity or on the permanent teaching staff of a university in the areas of law, economics, finance, engineering or computer sciences, or with executive functions in a public body or the public administration operating in the lending and finance sector.



## **I.M.A. Industria Macchine Automatiche Spa**

### *Corporate Governance Report*

The first two candidates in the respective sections of the list that obtains the largest number of votes are elected as serving Auditors and alternate Auditors, together with the first candidate in the respective sections of the list that obtains the second largest number of votes.

The first candidate on the list that obtains the largest number of votes is the Chairman.

The ordinary stockholders' meeting held on 26 April 2004 appointed the new Board of Statutory Auditors that will remain in office until approval of the financial statements as of 31 December 2006, which comprises:

- Giorgio Comini Chairman;
- Amedeo Cazzola Auditor;
- Piero Aicardi Auditor;
- Vittorio Coraducci Alternate Auditor;
- Chiara Gallina Alternate Auditor;
- Antonella Grassigli Alternate Auditor;

The new members of the Board of Statutory Auditors were elected from the names presented on the list filed at the registered offices by the established deadline by FinVacchi Finanziaria Vacchi Spa, the majority stockholder.



**I.M.A. Industria Macchine Automatiche SpA**  
Corporate Governance Report

**TABLE 1: BOARD AND BOARD COMMITTEES**

Position	Board of Directors							Internal Control Committee ♦		Remuneration Committee ♦	
	Incumbents	executive	non-executive	independent	(3)	Number of other positions held (1)	(2)	(3)	(2)	(3)	
<b>Chairman</b>	Vacchi Marco	X			5/6	4					
<b>Managing Director</b>	Vacchi Alberto	X			6/6	3					
<b>General Manager (4)</b>	Minguzzi Italo Schiavina Maria Carla			X	5/6	2	X	5/5			
<b>Director</b>	Vacchi Gianluca	X	X		6/6	3	X	5/5	X	2/2	
<b>Director</b>	Malagoli Andrea	X			5/6	13					
<b>Director</b>	Poggi Luca		X		6/6	1					
<b>Director and General Manager (5)</b>	Visentini Stefano	X			6/6	10			X	1/2	
<b>Director</b>	Volta Romano			X	5/6	/					
<b>Director</b>	Benedetti Gino			X	6/6	10	X	5/5	X	2/2	
<b>Director</b>	Dari Paolo	X			6/6	2					
<b>Director</b>	Braghieri Paolo		X		6/6	/					
					6/6	4					

• If there is no Committee or if its membership differs from that recommended by the Code, explain briefly why:  
 ♦ If there is no Committee or if its membership differs from that recommended by the Code, explain briefly why:  
 Number of meetings held during the year under review Board of Directors 6 Internal Control Committee: 5 Remuneration Committee: 2

**NOTES**

- (1) Number of other membership in boards of directors or of auditors held in other companies listed on regulated markets, in Italy and abroad, in financial, banking, and insurance companies or more generally in large companies. The Corporate Governance Report provides details as to the actual position held..
- (2) Director is member of this Committee.
- (3) Director's attendance at meetings of the board of directors and of directors and of the board committees, in percentage of meetings held.
- (4) Mr. Alberto Vacchi was appointed General Manager on 23<sup>rd</sup> February 2006
- (5) Mr. Stefano Visentini resigned from the office of General Manager on 23<sup>rd</sup> February 2006



**I.M.A. Industria Macchine Automatiche SpA**  
Corporate Governance Report

**TABELLA 2: BOARD OF AUDITORS**

Position	Incumbent	Attendance, in percentage of meetings held	Number of other position held **
<b>Chairman</b>	Comini Giorgio	4/4	/
<b>Full Member</b>	Cazzola Amedeo	4/4	2 (***)
<b>Full Member</b>	Aicardi Piero	4/4	/
<b>Alternate</b>	Coraducci Vittorio	/	/
<b>Alternate</b>	Gallina Chiara	/	/
<b>Alternate</b>	Grassigli Antonella	/	/
Number of Meetings held during the years under review: 4			
<b>Quorum required for minority shareholders to present a slate for the appointment of a one or more full members under Legislative Decree no. 58/1998 Art. 148): 3%</b>			

**NOTE**

\* Full members nominated through minority states.

\*\* Numbers of other membership in boards of directors or of auditors held in the other companies listed on regulated markets in Italy. The Corporate governance Report provides details as to the actual position held.

\*\*\* One position held as Alternate.



**I.M.A. Industria Macchine Automatiche SpA**  
*Corporate Governance Report*

**TABELLA 3: OTHER CORPORATE GOVERNANCE CODE PROVISIONS**

	YES	NO	Summary explanation to be provided in case of non-compliance with Code provisions
<b>Delegations of authority and transactions involving related parties</b>			
Has the Board of Directors delegated authority and defined:			
a) limits applicable thereto ?	X		
b) manners of exercise applicable thereto ?	X		
c) reporting frequency applicable thereto?	X		
Has the Board of Directors retained the power to review and approve transactions of particular significance for the company's profitability, assets and liabilities or financial position (with special reference to transactions involving related parties) ?	X		
Has the Board of Directors defined guidelines and criteria described in the Report ?		X	
Are these guidelines and criteria described in the Report ?		X	
Has the Board of Directors defined procedures for the review and approval of transactions involving related parties ?		X	
Are the procedures for approval of transactions involving related parties described in the Report ?		X	
<b>Procedures followed for the most recent appointments to the Board of Directors and the Board of Auditors</b>			
Were proposal for the appointment to the position of director deposited at the Company's offices at least 10 days ahead of time ?	X		
Were these proposal accompanied by detailed information ?	X		
Did these proposal provide information on candidates' eligibility to qualify as independent directors ?	X		
Were the proposal for the appointment to the position of member of the board of auditors deposited at the Company's offices at least 10 days ahead of time ?	X		
Were the proposal accompanied by detailed information ?	X		
<b>Shareholders' Meetings</b>			
Has the Company adopted rules of procedure for its shareholders'	X		



**I.M.A. Industria Macchine Automatiche SpA**  
**Corporate Governance Report**

meetings ?				
Are these rules of procedure attached to the Report (or does the Report indicate where such rules can be obtained/downloaded) ?	X			
<b>Internal Controls</b>				
Has the Company appointed persons to run its internal control system ?	X			
Are these persons not placed hierarchically under manages in charge of business units or operations ?		X		Exclusively for the performance of his Company activities as Quality Assurance Manager, Mr. Sala is subordinated to the Operations Director.
Unit in charge of internal controls (under Code Art. 9.3)				In order to carry out his activity, Mr. Sala makes use of the skilled and technical resources part of the department he is in charge of as Manager of Quality Assurance.
<b>Investor relations</b>				
Has the Company appointed an individual in charge of investor relations?	X			
Unit and contact information (address/phone/fax/e-mail) for the Company's Investor Relations person				Dot. Sergio Marzo Tel. +39 051 763111 – Fax +39 051 784422 MarzoS@IMA.it