

8 – CHARTER OF THE COMPENSATION COMMITTEE

This document has been translated into English for the convenience of readers outside Italy.
The original Italian document should be considered the authoritative version.

COMPOSITION

The Compensation Committee is composed of three non-executive Directors, the majority of whom independent.

The Board of Directors appoints the members of the Committee and its Chairman.

The Committee may name a secretary that need not be one of its members; the Secretary draws up the minutes of the meetings.

DUTIES

The Compensation Committee is entrusted with the following advisory duties:

- submit to the Board of Directors proposals with respect to individual compensation plans for the Chairman, the Chief Executive Officer and other Directors vested with particular offices;
- examine proposals presented by the Chief Executive Officer regarding compensation and performance evaluation of members of the Group Executive Council and managers with strategic responsibility;
- examine proposals presented by the Chief Executive Officer with respect to performance evaluation criteria and general fixed and variable compensation plans applicable at Group level as well as incentives and stock option plans;
- assess particular and specific matters relating to executive compensation when requested by the Board of Directors.

The Chairman of the Committee reports to the Board of Directors on the activities performed.

MEETINGS

The Committee will be called by its Chairman whenever he deems it appropriate or following a request by the Chief Executive Officer, and in any case at least twice a year.

The Chairman of the Committee may invite other individuals to attend the meetings whenever their presence may help the Committee to perform its functions.

The Committee may rely on the support of external counsel at the Company's expense.

Committee meetings may be held with the support of telecommunication devices (videoconference, conference call, etc.). Under these circumstances, the meeting will be deemed to have been held at the location where the Chairman and the Secretary drawing up the minutes are present.

AMENDMENTS TO THE CHARTER

The Committee shall annually review the adequacy of this Charter and propose amendments to the Board of Directors, if any.

Approved: Board of Directors Meeting of 24 October 2007