



**PROCEDURES FOR REGULATING
TRANSACTIONS WITH RELATED PARTIES
Including Explanatory Report**

PURSUANT TO ARTICLE 2391-BIS OF THE ITALIAN CIVIL CODE,
CONSOB REGULATIONS
REGARDING RELATED PARTIES APPROVED IN
RESOLUTION NO. 17221 OF 12 MARCH 2010 AND SUBSEQUENTLY
AMENDED IN RESOLUTION NO. 17389 OF 23 JUNE 2010
AND ARTICLE 9.C.1 OF THE SELF-REGULATION CODE
FOR LISTED COMPANIES

*Approved by the Board of Directors of Astaldi S.p.A.
during the meeting held on 10 November 2010*

EXPLANATORY REPORT

On 12 March 2010, CONSOB adopted the regulations containing provisions regarding transactions with related parties in Resolution No. 17221, which were subsequently modified in Resolution No. 17389 of 23 June 2010 (“CONSOB Regulations”). The latter contains the general rules and standards regarding procedures which Italian companies with shares listed on regulated markets in Italy (or other European Union countries) and with a significant amount of shares distributed among the public, are obliged to adopt in order to guarantee the transparency and correctness, as regards both substance and method, of transactions with related parties carried out directly or through subsidiary companies.

The CONSOB Regulations specified concepts which were not dealt with in enough detail in the past, and specifically the notions of “related party” and “transaction with related party” (contained in Annex 1 to the CONSOB Regulations). Said notions are similar to those provided for in IAS 24, with some amendments to meet national legislation, even if there is no direct reference to IAS 24, so that – for the certainty of legal relations – any changes to international accounting standards shall not entail an automatic amendment of the perimeter of related parties and significant transactions. Within the same vision of certainty, it must be noted that if some “related parties” are easy to identify (the parent company, the subsidiary companies, the directors, the auditors and strategic managers), the company may find it difficult to identify other related parties; therefore the CONSOB regulations order parent companies, directors, auditors and managers with strategic responsibilities to provide the issuer with information in order for it to be able to identify related parties and relative transactions.

In short, the main changes and features introduced under the new regulations concern the adoption of procedures of transparency and correctness provided for in Article 4 of the CONSOB Regulations (“Adoption of procedures”) by 1 December 2010, and application of them by 1 January 2011; the creation of

a Committee formed of non-executive directors (and not-related with regard to the actual transaction), the majority of whom are independent as regards minor transactions and all independent as regards significant transactions, which plays a key role in ensuring that transactions are performed in the company's interest, providing a preliminary opinion; the inclusion of "special" regulations for significant transactions (defined as such on the basis of quantitative criteria) according to which the independent directors must be involved in negotiations, receiving adequate information; amendments to regulations concerning transparency with regard to the market and the publication of procedures (specifically on the company's website); the exemption of some transactions from application of the regulations in question on the basis of a decision taken by the company (the various cases of exemption envisaged by Astaldi S.p.A. shall be listed in detail below); supervision by the Board of Auditors and disclosure to the Shareholders' Meeting.

The CONSOB Regulations envisage a binding content of the procedures which must, in brief: 1) identify significant transactions; 2) identify the cases of exemption which the company plans to avail itself of; 3) specify the independence requisites for directors; 4) establish the methods with which transactions with related parties are created and approved, and identify rules with regard to the possibility of the company examining or approving the transactions of Italian or foreign subsidiary companies; 5) establish the procedure and timeframe for providing the independent directors that voice opinions on transactions with related parties, as well as the Board of Directors and Board of Auditors, with information regarding the transactions together with relative documentation prior to the resolution, during and subsequent to performance of the transactions.

Therefore, Astaldi S.p.A's procedures (hereinafter "Procedures") have been drafted taking into account CONSOB's provisions in order to fully comply with regulations, and with the aim of granting Astaldi S.p.A. greater facility and ease

as regarding decision-making, while still complying with the aforementioned regulations. The articles are explained in detail herebelow.

It was considered fitting to specify the reference regulations in Article 1, in keeping with Article 2 of the CONSOB Regulations. The regulations are the result of a combination of a series of provisions: specifically, the Procedures in question are adopted taking into account the provisions contained in Article 2391-bis of the Italian Civil Code, CONSOB Regulations concerning related parties, CONSOB Disclosure No. DEM/10078683 of 24 September 2010 and Article 9.C.1 of the Self-Regulation Code for listed companies, and single out the provisions regulating the identification, approval and carrying out of transactions with related parties, performed by Astaldi S.p.A. either directly or through subsidiary companies, with the aim of ensuring the transparency and correctness of said transactions as regards substance and method.

Article 2 offers a detailed definition of the important notions regarding the subject under examination, in keeping with Article 3 of the CONSOB Regulations. Specifically, it was considered appropriate to note that:

i) the term “Independent Directors” refers to all directors holding the independence requisites provided for in Article 3 of the Self-Regulation Code;

ii) the term “Non-Related Directors” refers to the directors other than the counterparty to a specific transaction and its related parties. In brief, the term “non-related” implies a third-party or independent position with regard to the actual transaction for more correct negotiation and identification of conditions;

iii) the term “Transactions with Related Parties” refers to any transfer of resources, services or obligations between related parties, regardless of whether or not a consideration has been agreed on. Therefore, the area of application of said notion is very broad, and in this regard the regulatory body has specified that transactions such as mergers, spin-offs or non-proportional split-ups are to be considered as included, when performed with related parties, as well as all decisions concerning the allocation of remuneration and economic benefits, in

any shape or form, to the members of the Board of Directors, Board of Auditors and managers with strategic responsibilities.

The choice to include a specific article, Article 3, which regulates the Committee of Independent Directors only, was determined by the importance of the committee in question, the setting up of which is required for both minor transactions and significant transactions, in Articles 7 and 8 of the CONSOB Regulations respectively. The aforementioned Committee is appointed by the Board of Directors by the majority vote of members. While regulating the procedures to be adopted for transactions performed with related parties, the CONSOB Regulations envisage that the Committee in question may also be set up on an ad-hoc, case-by-case basis, for the individual transactions in question, but it is considered preferable to appoint a permanent Committee so as to prevent the timeframe for approval of transactions from becoming excessively long.

As regards this point, in keeping with the content of Article 12.2, paragraph two of the CONSOB Disclosure, the company has decided that the Committee be formed of all independent directors for both minor and significant transactions, also taking into account what has been tested by the best international practices in this regard. Moreover, said solutions make it possible to concentrate the supervision of related-party transactions in a single committee¹.

Articles 4.1 and 4.2 provide for the Procedures to be adopted in the event of minor and significant transactions, in keeping with the requisites of Articles 7 and 8 of the CONSOB Regulations. The CONSOB Regulations provide for a general procedure (less complicated and weighty) with regard to the first type of transactions, which involves, in brief: a non-binding, detailed opinion of the

¹ Indeed, it must be remembered that

- a preliminary, binding opinion of a committee formed exclusively of independent directors is required in order to adopt the Procedures, including a committee set up for this purpose, pursuant to Article 4 of the Regulations;
- the involvement of a committee formed exclusively of independent directors, including a committee set up for this purpose, is required during negotiations, in the preliminary phase and for the passing of resolutions (with the issue of a preliminary, binding opinion) for significant transactions, pursuant to Article 8 of the Regulations.

previously mentioned Committee; that the aforementioned Committee may avail itself of independent experts of its own choice; a suitable ex-ante memorandum, promptly supplied to the resolving body (the responsibility for passing resolutions regarding this type of transactions lies with either the Board of Directors or the Chief Executive Officer in relation to the powers granted to the latter) and to the Committee that must voice an opinion; that the minutes of the resolutions approving transactions contain sufficient information regarding the company's interest in performing the transaction, as well as the substantial correctness and advantages of the transaction's conditions; a disclosure for the general public (at least on a quarterly basis) regarding the transactions approved without taking into account the negative opinion of the independent directors, with relative publication of the negative opinions.

While significant transactions, considering that they present more problematic issues, require a more meditated decision resulting from a more strictly regulated decision-making process. In these cases, the CONSOB Regulations specify that the procedures approved by the issuer must provide for: the responsibility to pass resolutions to be reserved for the Board of Directors; the Committee to be involved in both negotiations and the preliminary phase, being promptly provided with complete information and able to ask executive directors for explanations and formulate observations; the resolutions to be undertaken entirely by the Board of Directors, with the binding opinion of non-related independent directors who may avail themselves of the consulting services of external experts, paid by the company.

The CONSOB Regulations single out some cases of exemption from the related-party regulations, both standard and optional. Article 5 of the Procedures includes said cases of exemption in order to cater for Astaldi's corporate practices and the need to optimise group management.

As regards the standard exemptions, for example, Article 5.2 concerns: i) Shareholders' Meeting resolutions as per Article 2389, subsection 1 regarding the fees due to members of the Board of Directors and Executive Committee

where appointed; ii) resolutions concerning the fees for directors vested with specific powers included in the total preliminary amount decided on by the Shareholders' Meeting pursuant to Article 2389, subsection 3 of the Italian Civil Code; iii) Shareholders' Meeting resolutions as per Article 2402 of the Italian Civil Code concerning the fees for members of the Board of Auditors and Supervisory Board and Shareholders' Meeting resolutions regarding the fees due to members of the Management Board where appointed pursuant to Article 2049-terdecies, subsection 1, letter a) of the Italian Civil Code. This is insofar as other laws guarantee the same goals of transparency which form the basis of the CONSOB Regulations regarding related parties.

As regards the optional exemptions, note must be taken of the importance for the company's operating performance of the exemption regarding transactions of a non-significant amount, as per Article 5.1 of the Procedures, provided there are no risks connected to the transaction's characteristics and assuming that said transactions cannot have a significant impact on the company's equity situation.

Likewise, the payment schemes based on financial instruments approved by the Shareholders' Meeting pursuant to Article 114-bis of the Finance Consolidation Act and relative executive transactions are excluded, including in light of the Shareholders' Meeting's relative responsibility and the strict information system which applies.

Transactions (Articles 5.4 and 5.5 of the Procedures) with or between subsidiary companies and transactions with associate companies are excluded, as well as ordinary transactions performed with any related party at similar conditions to market or standard conditions, as provided for in Article 5.6 of the Procedures.

In the light of the content of Article 7 of the CONSOB Regulations entitled "Transactions with related parties and disclosure to the public pursuant to Article 114, subsection 1 of the Consolidation Act", Astaldi S.p.A., in the event of "significant" transactions performed with related parties which exceed set limits,

without prejudice to the disclosure obligations as per Article 114, subsection 5 of the Finance Consolidation Act, is obliged to make available to the public within 7 days of approval of the transaction or entering into of the relative contract, should the transaction in question require similar formalities, a specific disclosure, drafted pursuant to Annex 4 to the CONSOB Regulations (the deadline is extended to 15 days from the transaction which resulted in the limit being exceeded in the event of multiple transactions, and to 15 days from the moment when the issuer was informed of approval of the transaction in the event of transactions performed by subsidiary companies). Moreover, the opinions on significant transactions drafted by the Independent Directors and/or independent experts where appointed shall also be made available to the public with the same timeframe. Therefore, Article 7 of the Procedures regulates in detail the legal requirements regarding the need to inform the public of related-party transactions.

The company, on the basis of Article 4, subsection 7 of the CONSOB Regulations, is obliged to publish these Procedures and relative amendments on the company's website (said obligation is provided for in Article 9 of the Procedures).

Lastly, Article 10 of the Procedures includes a specific provision regarding enforcement of the procedure in accordance with the following timeframe:

- as regards the disclosure obligations as per Article 6 of the Procedures, as from 1 December 2010;
- as regards the procedural aspects as per Article 4 of the Procedures, as from 1 January 2011.

PROCEDURES

1. INTRODUCTION – REFERENCE LEGISLATION

These Procedures, adopted in order to implement Article 2391-bis of the Italian Civil Code, CONSOB Regulations regarding related parties approved in Resolution No. 17221 of 12 March 2010 and subsequently amended in Resolution No. 17389 of 23 June 2010 (“**CONSOB Regulations**”), CONSOB Disclosure (“**CONSOB Disclosure**”) No. DEM/10078683 of 24 September 2010, as well as the recommendations contained in Article 9.C.1 of the Self-Regulation Code for listed companies, identify the rules regulating the singling out, approval and carrying out of transactions with related parties performed by Astaldi S.p.A. (hereinafter, “**Astaldi**” or the “**Company**”), either directly or through subsidiary companies, in order to ensure the transparency and correctness of the transactions with regard to substance and method.

2. DEFINITIONS

“**Independent directors**”: directors holding the independence requisites established in Article 3 of the Self-Regulation Code.

“**Non-related directors**”: directors other than the counterparty to a specific transaction and its Related Parties.

“Independent experts”: experts appointed to draft opinions on significant transactions, holding the independence requisites established by Article 3 of the Self-Regulation Code for listed companies.

“Ordinary transactions”: transactions forming part of the ordinary course of operations and related financial activities.

“Transactions concluded at similar conditions to market or standard ones”: transactions concluded at similar conditions to those usually applied with regard to non-related parties for transactions of similar type, size and risk, including those based on regulated rates or set prices and those performed with parties with whom Astaldi is obliged by law to contract at a set price.

“Transactions with related parties”: any transfer of resources, services or obligations between Related Parties regardless of whether or not a consideration has been agreed on, including:

- mergers and spin-offs or non-proportional split-ups, where performed with Related Parties;
- all decisions regarding the allocation of remuneration or economic benefits, in any shape or form, to members of the Board of Directors and Board of Auditors and to managers with strategic responsibilities.

“Significant transactions with Related Parties”: transactions where at least one of the significance indicators as per Annex 3 to the CONSOB Regulations, applicable depending on the specific transaction, is greater than **5%**.

“Minor transactions with Related Parties”: transactions where all the significance indicators as per Annex 3 to the CONSOB Regulations, applicable depending on the specific transaction, are not greater than **5%** and which are not “Non-significant transactions”.

“Non-significant transactions”: transactions not exceeding the limits listed below under Article 5.1 provided there are no risks connected with the transaction’s characteristics and they cannot have a significant impact on the company’s equity situation.

“Related parties”: the term refers to the following:

a) the bodies that, either directly or indirectly, including through subsidiary companies, trustees or intermediaries:

- own Astaldi;
- are owned by Astaldi;
- are subject to joint ownership with Astaldi;
- hold a stake in Astaldi such as to be able to exercise a considerable influence, according to the definition provided in Annex 1 to the CONSOB Regulations, on the company;
- exercise joint control over Astaldi together with other parties;

b) companies associated with Astaldi;

c) joint ventures involving Astaldi;

d) managers of Astaldi or of its parent company with strategic responsibilities²;

e) close relatives³ of the parties as per points a) or d) above;

f) the bodies owned, jointly owned or subject to considerable influence by one of the parties as per points d) or e) above, or in which said parties hold, either directly or indirectly, a significant stake, in any case equal to no less than 20% of the voting rights;

g) an Italian or foreign, supplementary, group or individual pension fund, set up for employees of Astaldi or any other related body, provided it is set up or developed by Astaldi or Astaldi exercises a predominant influence over it;

h) participants in significant shareholders' agreements pursuant to Article 122 of the Finance Consolidation Act, which regulate candidature for the position of company director should the slate thus presented prove to be the majority slate pursuant to Article 16 of the company Bylaws.

3. COMMITTEE OF INDEPENDENT DIRECTORS

3.1. APPOINTMENT OF COMMITTEE

² In accordance with the provisions of Annex 1 to the CONSOB Regulations, managers with strategic responsibilities are “the individuals with the powers and responsibility, both directly or indirectly, for planning, management and control of corporate activities, including the directors (executive and non-executive) of the company.”

³ In the definition contained in Annex 1 to the CONSOB Regulations, “the close relatives of a party are the relatives that it is expected may influence, or be influenced by the party concerned in their relations with the body. These may include: a) the not legally separated spouse and common-law partner; b) children and individuals that are dependent on the party, the not legally separated spouse or the common-law partner.”

The Board of Directors shall appoint, by a majority vote, a committee (hereinafter the "Committee") formed of 3 non-executive Independent Directors to perform the tasks as per Articles 4.1 and 4.2 below.

During its first meeting, the Committee shall undertake to appoint a Chairman by a majority vote that will coordinate the work of the Committee.

The Committee shall appoint a Secretary that will be responsible for drafting and filing the minutes of each meeting, which must be signed by the Chairman and the Secretary.

3.2. CALLING OF THE COMMITTEE

The Committee shall meet when called by the Chairman.

The notice calling the meeting, to be sent by fax or email to the numbers and addresses provided by the Committee members upon appointment, must include details of the items on the agenda and must be sent to the Committee members at least three days prior to the date scheduled for the meeting.

3.3. COMMITTEE MEETINGS

All the Committee members in office must be present in order for the Committee meetings to be considered valid.

The Committee meetings shall be duly constituted, including when held by teleconferencing or videoconferencing, provided all the participants may be identified by the Chairman and by all the other parties in attendance, that they are able to follow the discussion and take part in real time in discussion of the items under examination, that they can exchange documents related to said items and that all of the above is noted in the relative minutes. Having ascertained that these conditions are met, the Committee meeting shall be considered as held in the location where the Chairman is and where the meeting's Secretary must also be, in order to allow the minutes to be drafted.

3.4. GUESTS

The Chief Executive Officer of Astaldi S.p.A. and the Chairman of the Board of Auditors of Astaldi S.p.A., as well as the Chairman of the Remuneration Committee of Astaldi S.p.A. with exclusive reference to decisions regarding the allocation of remuneration and economic benefits, in any shape and form, to members of the Board of Directors and Board of Auditors and to managers with strategic responsibilities, may attend the Committee meetings from time to time in the capacity of Committee guests.

The Committee may always invite other company employees with specific knowledge in relation to the individual transaction in question, or independent experts of its choice, to take part in Committee meetings.

4. PROCEDURES FOR TRANSACTIONS WITH RELATED PARTIES.

4.1. PROCEDURE FOR **MINOR** TRANSACTIONS WITH RELATED PARTIES.

With reference to minor transactions (hereinafter “Minor Transactions” or “Minor Transaction”), in accordance with the content of Article 7 of the CONSOB Regulations:

4.1.1. RESPONSIBILITY AND COMPOSITION OF ADMINISTRATIVE BODY

- a) The responsibility for passing resolutions to approve these transactions lies with either the Board of Directors or the Chief Executive Officer in relation to the powers the latter is vested with;
- b) Whenever, with regard to the individual Minor Transaction, one or more members of the Committee as per Article 3 are not “Non-related”, the Board of Directors or the Chief Executive Officer, in relation to the powers granted him/her with regard to approval of the transaction pursuant to letter a) above, shall undertake to replace said member promptly and

without delay so that the Committee can perform its activities as normal, with effectiveness being limited to the specific Minor Transaction, appointing additional members satisfying the necessary requisites;

- c) Should the Board of Directors fail to include at least two Independent “Non-related” Directors, the Committee shall be formed of 2 non-executive, “Non-related” directors, one of whom shall be independent.

4.1.2. OBLIGATIONS OF THE CHIEF EXECUTIVE OFFICER

Once the transaction has been classed as a “Minor Transaction”, the Chief Executive Officer must provide the Committee, at least 25 days prior to approval of the Minor Transaction, with complete and suitable information so that the Committee can make a complete and informed judgement in this regard. Should the transaction’s conditions be considered similar to market or standard conditions, the documentation provided must contain evidence supporting the nature of the Minor Transaction thus defined.

4.1.3. COMMITTEE MEETINGS AND RESOLUTIONS

- a) Said Committee, having received the information from the Chief Executive Officer as per Article 4.1.2 above, shall meet, when called by the Chairman, at least 15 days prior to the date scheduled for approval of the Minor Transaction, with the formalities as per Article 3 above;
- b) the Committee shall voice a non-binding, detailed opinion regarding the company’s interest in performing the Transaction classed as Minor pursuant to Article 4.1.2 above, as well as the substantial correctness and advantages of the relative conditions within the tenth day prior to approval of the Minor Transaction. The Chairman of the Committee shall undertake to send the opinion in question to the company’s Chief Executive Officer within the same deadline;
- c) the Committee may avail itself of one or more Independent Experts of its choice, at the company’s expense.

4.1.4. TRANSACTIONS TO BE RESOLVED UPON BY THE BOARD OF DIRECTORS

In the event of the Board of Directors being responsible for resolving upon the Minor Transaction:

- the Chief Executive Officer, having received the opinion as per letter b of Article 4.1.3., shall forward the opinion in question to the Chairman of the Board of Directors at least 7 days prior to approval of the Minor Transaction by the Board of Directors and shall provide complete and suitable information so that the Board may make a complete and informed judgement in this regard. Should the transaction's conditions be defined as similar to market or standard conditions, the documentation provided must contain evidence supporting the nature of the Minor Transaction thus defined;
- upon receiving the aforementioned information from the Chief Executive Officer, the Chairman of the Board of Directors, via the Board Secretary's office, shall forward said information, including the Committee's opinion, to the Board of Directors and the Board of Auditors at the same time as forwarding the notice calling a meeting as per Article 19 of the company Bylaws.

4.1.5. TRANSACTIONS TO BE RESOLVED UPON BY THE CHIEF EXECUTIVE OFFICER

In the event of the Chief Executive Officer being responsible for approving the transaction, upon receiving the opinion as per letter b) of Article 4.1.3., the Chief Executive Officer shall inform the Chairman of the company's Board of Directors and the Chairman of the company's Board of Auditors of the characteristics of the transaction together with the opinion provided by the Committee regarding the transaction in question at least 3 days prior to final approval of the transaction by the Chief Executive Officer.

4.1.6. REPORTING AND DISCLOSURE OF DECISIONS

- a) The minutes detailing the resolutions passed by the Board of Directors, or the decisions taken by the Chief Executive Officer should the latter be responsible for approving the transaction pursuant to letter a) of Article

4.1.1., to approve the Minor Transaction shall include sufficient details regarding the company's interest in performing the transaction as well as the substantial correctness and advantages of the relative conditions;

- b) the information and relative documentation (hereinafter jointly referred to as the "Information") which the Chief Executive Officer or Board of Directors is obliged to provide to the Committee and Board of Auditors (information regarding both the preliminary phase and finalisation and performance of the Minor Transaction) should be sent by fax or by electronic mail to the numbers and addresses provided by the Committee members and Auditors upon appointment. Any changes to said contacts must be promptly communicated to the company in writing by the party concerned.
- c) the Chief Executive Officer shall provide the Board of Directors and Board of Auditors with complete information regarding the performance of transactions, on a quarterly basis, to coincide with approval of the interim financial reports.

4.1.7. NEGATIVE OPINION

In the event of a negative opinion voiced pursuant to letter b) of Article 4.1.3., without prejudice to the provisions contained in Article 114, subsection 1, of the Consolidation Act, the Chief Executive Officer, availing him/herself of the assistance of the company divisions concerned, shall make available to the public a document containing the name of the counterparty, the purpose and the value of the transactions approved during the quarter in question as well as the reasons for which said opinion was not shared. Said document shall be made available within 15 days of the end of each quarter at the corporate offices, using the procedures listed in Title II "Corporate Information", Part I of CONSOB Resolution No. 11971/99 (the so-called Issuers' Regulations). The company shall make available to the public the opinion in question as an annex to the aforementioned quarterly disclosure or shall publish

the opinion in question on the company's website within the same timeframe mentioned above.

4.1.8. TRANSACTIONS TO BE RESOLVED UPON BY THE SHAREHOLDERS' MEETING

In the event of the Shareholders' Meeting being responsible for resolving upon the Minor Transaction, the provisions as per Article 4.1 shall apply, insofar as compatible, during the preliminary phase and during approval of the proposed resolution to be submitted to the Shareholders' Meeting.

4.1.9. TRANSACTIONS OF SUBSIDIARY COMPANIES

The same provisions as per Article 4.1 shall apply in the event of Astaldi being called upon to examine or approve Minor Transactions performed through the company's Italian or foreign subsidiaries. It remains understood that all information regarding the resolution to approve the Minor Transaction, mentioned above, must be taken as a reference to the resolution of examination or approval detailed herein.

4.2. PROCEDURE FOR **SIGNIFICANT** TRANSACTIONS WITH RELATED PARTIES.

With reference to significant transactions (hereinafter "Significant Transactions" or "Significant Transaction"), in accordance with the content of Article 8 of the CONSOB Regulations:

4.2.1. RESPONSIBILITY AND COMPOSITION OF ADMINISTRATIVE BODY

- a) The responsibility for passing resolutions to approve said transactions shall lie exclusively with the Board of Directors;
- b) Whenever, with regard to the individual Significant Transaction, one or more members of the Committee are not "Non-related", the Board of Directors shall undertake to replace said member promptly and without delay so that the Committee can perform its activities as normal, with

effectiveness being limited to the specific Significant Transaction, appointing additional members satisfying the necessary requisites.

4.2.2. CALLING OF AND DISCLOSURE OF INFORMATION TO THE COMMITTEE BY THE CHIEF EXECUTIVE OFFICER

Once the transaction has been classed as Significant, the Chief Executive Officer shall involve the Committee in negotiations and in the preliminary phase related to the Significant Transaction in question by promptly forwarding complete information. The Committee shall be entitled to request information and make observations to the Chief Executive Officer and parties appointed to conduct negotiations or the preliminary phase which the latter must reply to within two days of receipt of the relative request. The Committee shall also receive from the Chief Executive Officer a list of documents considered most significant for the purpose of formulating its opinion. The provisions as per Article 4.1.6., letter b) above shall apply in full with regard to the methods of providing information.

4.2.3. COMMITTEE MEETINGS

The Committee shall meet, when called by the Chairman, at least 15 days prior to the date scheduled for approval of the Significant Transaction, with the formalities as per Article 3 above.

4.2.4. COMMITTEE'S OPINION

- a) The Committee shall voice a detailed opinion, supported by the majority of its members, regarding the company's interest in performing the transaction classed as Significant pursuant to Article 4.2.2. above, as well as the substantial correctness and advantages of the relative conditions within the tenth day prior to approval of the Significant Transaction. The Chairman of the Committee shall also undertake to send the opinion in question to the company's Chief Executive Officer within the same timeframe.
- b) The Committee may avail itself of the assistance of one or more Independent Experts of its choice, at the company's expense.

4.2.5. OBLIGATIONS OF THE CHIEF EXECUTIVE OFFICER

Should the Committee voice a positive detailed opinion with regard to the transaction, the Chief Executive Officer, upon receipt of the opinion, shall forward it to the Chairman of the company's Board of Directors at least 7 days prior to approval of the Significant Transaction by the Board of Directors, and shall provide complete and suitable information so that the Board can make a complete and informed judgement in this regard. Should the transaction's conditions be considered similar to market or standard conditions, the documentation provided must contain evidence supporting the nature of the Significant Transaction thus defined.

4.2.6. OBLIGATIONS OF THE BOARD OF DIRECTORS

Once the aforementioned information has been received from the Chief Executive Officer, the Chairman of the Board of Directors, via the Board Secretary's office, shall forward said information, including the Committee's opinion, to the members of the Board of Directors and the Board of Auditors at the same time as forwarding of the notice calling a meeting, as per Article 19 of the company's Bylaws.

4.2.7. REPORTING AND DISCLOSURE OF DECISIONS

The minutes of the resolutions passed by the Board of Directors to approve the Significant Transaction shall include sufficient information regarding the company's interest in performing the transaction as well as the substantial correctness and advantages of the relative conditions.

4.2.8. EQUIVALENT AUTHORISATION

In the event of there not being at least three "non-related", Independent Directors, the resolutions must be approved subject to the positive opinion of the Independent Directors or, in their absence, of an independent expert.

4.2.9. TRANSACTIONS TO BE RESOLVED UPON BY THE SHAREHOLDERS' MEETING

In the event of the Shareholders' Meeting being responsible for resolving upon the Significant Transaction, the provisions as per Article 4.2 above shall apply, insofar as compatible, during the preliminary phase and during approval of the proposed resolution to be submitted to the Shareholders' Meeting.

4.2.10. TRANSACTIONS OF SUBSIDIARY COMPANIES

The same provisions as per Article 4.2 shall apply in the event of Astaldi being called upon to examine or approve Significant Transactions performed through the company's Italian or foreign subsidiaries. It remains understood that all information regarding the resolution to approve the Significant Transaction as per the articles above, refers to the resolution of examination or approval of the transactions of subsidiaries as detailed herein.

5. CASES OF EXCLUSION

The following are excluded from the procedure regulations as per Articles 4.1 and 4.2, pursuant to Articles 13 and 14 of the CONSOB Regulations:

5.1. Non-significant transactions as per the limits listed below provided there are no risks connected with the transaction's characteristics and assuming that said transactions cannot have a significant impact on the company's equity situation.

- a) significance indicator of counter value: non-significant transactions are those whose counter value is less than or equal to €250,000;
- b) significance indicator of assets: non-significant transactions are those where the assets of the body involved in the transaction are less than €500,000;

c) significance indicator of liabilities: non-significant transactions are those where the total liabilities of the company or branch acquired are less than €500,000.

Should more than one of the indicators listed above apply for a transaction, the transaction shall be considered non-significant provided all the indicators are below the set limits listed above.

- 5.2. (i) The Shareholders' Meeting's resolutions as per Article 2389, subsection 1 of the Italian Civil Code, regarding fees due to members of the Board of Directors and Executive Committee, where appointed;
- (ii) The resolutions regarding the remuneration of directors vested with specific powers forming part of the total preliminary amount established by the Shareholders' Meeting pursuant to Article 2389, subsection three of the Italian Civil Code;
- (iii) The Shareholders' Meeting's resolutions as per Article 2402 of the Italian Civil Code regarding fees due to members of the Board of Auditors.

5.3. Resolutions other than those listed under Article 5.2 regarding remuneration of directors and board members vested with specific powers as well as other managers with strategic responsibilities, and resolutions in which the Supervisory Board determines the fees of management board members, provided that:

- (i) The company has adopted a remuneration policy;
- (ii) A committee formed exclusively of non-executive directors or board members, for the most part independent, has been involved in defining the remuneration policy;
- (iii) A report outlining the remuneration policy has been submitted for approval or consultation by the Shareholders' Meeting;

(iv) The remuneration allocated is in keeping with the policy.

- 5.4. Transactions with or between Astaldi's subsidiary companies, including jointly, provided that there are no interests of the company's other Related Parties, classed as significant, in Astaldi's subsidiaries, counterparties to the Transaction. Interests arising from the sharing of one or more directors or other managers with strategic responsibilities between Astaldi and its subsidiaries are not considered significant. While interests which, due to the characteristics of relations or the nature of the transaction, are able to affect the conditions of said transaction, including the company's economic and financial equilibrium, are considered significant.
- 5.5. Transactions with associate companies provided there are no interests of the company's other Related Parties, classed as significant, in the associate companies, counterparties to the Transaction. Interests arising from the sharing of one or more directors or other managers with strategic responsibilities between Astaldi and its associate companies are not considered significant.
- 5.6. Ordinary transactions performed with any related party or concluded at similar conditions to market or standard conditions. Specifically, the company considers the following to be ordinary transactions: all transactions aimed at and connected with the performance of public and private works, the undertaking and management of works, including under concession, the undertaking, performance and management of plant engineering activities, the performance of study, design and consulting activities as well as all other transactions related to construction of the works representing the purpose of the contract, including by way of example but not limited to:

- financial assistance transactions (granting of loans, granting of sureties, etc.);
- working assistance transactions (provision of technical, administrative and legal services, hire and purchase of machinery, staff secondment, charging of own staff employed in project, etc.).

5.7. Payment schemes based on financial instruments approved by the Shareholders' Meeting pursuant to Article 114-bis of the Finance Consolidation Act and relative executive transactions.

5.8. Where envisaged in the Bylaws and in the cases where responsibility for the transaction does not lie with the Shareholders' Meeting and does not have to be authorised by the latter, the Transactions performed in emergency situations, without prejudice to the provisions contained in Article 7 below, where applicable, provided that:

- (i) The Transaction to be performed falls into the sphere of responsibility of a managing director and the Chairman of the Board of Directors is informed of the emergency situation prior to performance of the transaction;
- (ii) Said transactions, without prejudice to their effectiveness, are subsequently the subject of a non-binding resolution passed by the first Ordinary Shareholders' Meeting held after they are performed;
- (iii) The Board of Directors which calls the Shareholders' Meeting prepares a report containing sufficient detail of the emergency situation, and the Board of Auditors provides the Shareholders' Meeting with an assessment of the existence of said emergency situation;
- (iv) The report and assessment as per point (iii) above are made available to the public at least twenty-one days prior to the date scheduled for the Shareholders' Meeting, at the company's offices

and using the methods set forth in Title II, Part I of the Issuers' Regulations. Said documents may be contained in the disclosure as per Article 7.1.;

- (v) The company makes available to the public information regarding the outcome of voting, with specific focus on the number of votes cast in total by non-related shareholders, using the methods set forth in Title II, Part I of the Issuers' Regulations, by the day following that of the Shareholders' Meeting.

6. IDENTIFICATION OF RELATED PARTIES

6.1. The parties as per the list below:

- (i) parties that hold the control, or joint control of the company, either directly or indirectly, through one or more brokers;
- (ii) managers with strategic responsibilities, including directors and auditors of the company and its parent company;
- (iii) parties holding a stake in the company such as to be able to exert considerable influence on the company, in accordance with the definition found in Annex 1 to the CONSOB Regulations;
- (iv) parties to a shareholders' agreement concerning the company

shall disclose the following data to the Chief Executive Officer:

- (i) identity of close relatives;
- (ii) identity of bodies where they or their close relatives exercise control, joint control or a considerable influence;
- (iii) all other facts concerning them which they are aware of and which are useful or necessary in order to allow for identification of the Related Parties and of the Transactions with Related Parties.

6.2. The company shall prepare and keep up-to-date a list of Related Parties based on available information and statements received.

Said list may also be consulted by all Astaldi Group subsidiary companies.

7. DISCLOSURE TO THE PUBLIC CONCERNING TRANSACTIONS WITH RELATED

7.1. In the event of Significant Transactions with Related Parties to be performed also by Italian or foreign subsidiary companies, Astaldi's Board of Directors shall prepare a disclosure drafted pursuant to Annex 4 to the CONSOB Regulations during approval of the transaction by the Board, without prejudice to the disclosure obligations as per Article 114, subsection 5 of the Finance Consolidation Act. The disclosure shall be made available to the public at the company's offices and using the methods provided for in Title II, Part I of the Issuers' Regulations within 7 days of approval by the Board of Directors of the Significant Transactions with Related Parties or, if the Board of Directors resolves to submit a contractual proposal, from the moment when the contract, including a preliminary one, is entered into on the basis of applicable regulations.

7.2. The company's Board of Directors shall also prepare the disclosure as per Annex 4 to the CONSOB Regulations when, during the year, it concludes with a related party, or with parties related both to the latter and to Astaldi, transactions similar one to the other or performed as part of a single plan which, while not able to be classed individually as Significant Transactions with Related Parties, exceed the significance limits set forth in Annex 3 to the CONSOB Regulations when taken as a group. In this case, the disclosure shall be made available to the public

at the company's offices and using the methods provided for in Title II, Part I of the Issuers' Regulations, within 15 days of approval of the transaction or of conclusion of the contract which resulted in the limits being exceeded, and shall contain information, including on an aggregate basis for similar transactions, concerning all the transactions taken into account.

- 7.3. In the event of the transactions which result in the significance limits as per Article 7.2. above being exceeded, being performed by Astaldi's subsidiaries, the disclosure shall be made available to the public within 15 days of the moment when Astaldi was informed of approval of the transaction or of conclusion of the contract which resulted in the limit being exceeded.
- 7.4. Within the same terms listed above in points 7.1., 7.2. and 7.3., the company shall make available to the public any opinions of Independent Directors or independent board members and Independent Experts.
- 7.5. In the case of opinions of Independent Experts, the company may decide to publish solely the information listed in Annex 4 to the CONSOB Regulations, providing its reasons for said choice.
- 7.6. The company shall also undertake to include information regarding Transactions with Related Parties in the Interim Report on Operations and in the Annual Report.

8. REVIEW

The Committee responsible for approving the Procedures shall also be responsible for voicing a positive opinion with regard to all substantial amendments to the Procedures, and not those resulting from updating to comply with legislative changes.

9. WEBSITE PUBLICATION

These Procedures and the relative amendments shall be published on the company's website (<http://www.astaldi.com>), using the methods and timeframe provided for in the CONSOB Regulations, without prejudice to the obligation to publish information in the annual management report, including by referring to the website, pursuant to Article 2391-bis of the Italian Civil Code.

10. ENFORCEMENT

The Procedures shall come into effect:

- with regard to the disclosure obligations as per Article 7 of the Procedures, as from 1 December 2010;
- with regard to the procedural aspects as per Article 4 of the Procedures, as from 1 January 2011.