



# ASTALDI

## Corporate Bylaws

Last update  
April 30, 2014

## **BY-LAWS OF ASTALDI S.p.A.**

### **TITLE I**

#### **Name – Purpose – Registered Office – Duration**

##### **ART. 1**

The Company's name is:

“ASTALDI Società per Azioni”, in short “Astaldi S.p.A.”

##### **ART. 2**

The company's purpose is the building activity in general, carrying out public and private works, taking on and operating works including those under concession, taking on, performing, and operating plant engineering activities, and carrying out studies, design, and consulting activities.

Said activities may be performed in Italy and abroad, both for third parties and on the company's own behalf.

The Company may also perform any other activity and carry out any other business related to its corporate purposes, both directly and through the formation and/or operation of service companies, industrial plants, and business and financial activities, as well as by taking on participating interests, including shareholding, in companies, groups, associations including temporary associations of companies, consortia, joint ventures and initiatives having a purpose similar to or in any way connected with its own purpose. The Company may also take part in humanitarian or cultural associations or foundations and contribute to the establishment thereof whenever such participation may promote the company's image and make the company obtain a social merit.

In order to achieve its corporate purpose, the company may carry out, both in Italy

and abroad, any and all business, industrial and financial operations, including operations on movable assets and real estate, including giving and accepting endorsements, sureties, or other guarantees to and from third parties, as may be related to the corporate purpose or deemed useful by the Board of Directors.

All the financial activities vis-à-vis the public, and the activities reserved by law, are anyway excluded.

#### ART. 3

The Company's registered office is located in Rome.

The Company may set up and close down secondary offices, branches, agencies, and representation offices in Italy and abroad.

#### ART. 4

The domicile of shareholders, as far as their relationships with the Company are concerned, is considered to be, to all intents and purposes of the law, as set forth in the Shareholders' Ledger.

#### ART. 5

The Company's duration is fixed until 31 December 2100 and may be extended.

In accordance with section 2437, paragraph 2, of the Italian civil code, in case of extension of the term, the shareholders who did not take part in the approval of the relevant resolution shall have no right to withdraw.

### **TITLE II**

#### **Capital – Shares – Bonds**

#### ART. 6

The Company's capital amounts to €uro 196,849,800.00 (one hundred ninety-six million eight hundred forty-nine thousand eight hundred euros and zero cents), is

fully paid-up, and is divided into 98,424,900 (ninety-eight million four hundred twenty-four thousand nine hundred) shares of a nominal value of € 2.00 (two euro and zero cents) each.

The Company's capital may be increased also by transfer of receivables or payment in kind.

The Company's capital may be increased also by issuing shares having rights which are different from those of the shares already issued, as well as by issuing special categories of shares to be attributed to individual members of the Company's personnel in order to assign to them part of the Company's profits, providing for specific rules governing the form and manner of transfer, and the rights which the relevant shareholders are entitled to.

On April 23, 2013, the Shareholders' Assembly resolved to increase the Company's share capital in cash, against payment and in tranches, without right of option pursuant to section 2441, paragraph 5, of the Italian Civil Code, by global nominal amount of Euro 35,137,034 to be paid up in one or more times by the issue of a maximum number of 17,568,517 common shares of a nominal value of Euro 1.00 each, having the same characteristics of outstanding common shares, irrevocably and exclusively reserved to support the issue of equity-linked bonds globally amounting to Euro 130,000,000, maturity date January 31, 2019, issued by virtue of Board of Directors' resolution dated January 23, 2013, being understood that the deadline for the subscription of newly issued shares shall be January 31, 2019 and that, in the event such share capital increase is not fully subscribed, the share capital shall be anyway considered as increased by an amount equivalent to the amount so subscribed.

#### ART. 7

The shares are registered, indivisible, and freely transferable shares.

The shares are issued according to the dematerialization system.

#### ART. 8

The Company's Shareholders' Extraordinary Meeting may grant the Board of Directors the power to issue, on one or more occasions, convertible bonds, for a given amount and for a period not exceeding five years after the Meeting's resolution, establishing the relevant procedures, deadlines, conditions, and regulations.

The Company's Shareholders' Extraordinary Meeting may issue financial instruments also to the benefit of the company's employees or subsidiaries, provided with equity claims and administrative rights, excluding the right to vote at Shareholders' Meetings.

The resolution to issue financial instruments sets forth the issuing conditions, the conditions to exercise the rights conferred upon their holders and the manner of transfer.

### **TITLE III**

#### **Shareholders' Meetings**

#### ART. 9

The Shareholders' Meeting represents the totality of shareholders, and its resolutions made in compliance herewith or, should specific provisions be lacking, in compliance with the law, are binding on all the shareholders.

The Shareholders' Meeting may be ordinary and extraordinary in accordance with the law. It may be called to be held in a place different from the registered office,

provided it is held in Italy.

The Shareholders' Ordinary Meeting shall be called at least once a year within 120 days after closing the fiscal year.

The Board of Directors is also authorized to extend the Shareholders' Ordinary Meeting calling deadline to up to 180 days after closing the fiscal year, if the Company is required to draw up consolidated financial statements and when so required by particular needs relating to the Company's organization and purpose.

#### ART. 10

Without prejudice to the convocation powers established by specific law provisions, the Shareholders' Meeting shall be called by the Board of Directors by notice to be published according to the terms and manner provided for by the law.

That same notice may also set forth a different date for second call meeting, should the first call meeting be unattended; in the case of the Shareholders' Extraordinary Meeting, that same notice may also set forth the date for the third call meeting.

As provided for by laws and regulations in force, the Board of Directors shall make available to the shareholders and the auditors, at the company's registered office, a report on the proposals regarding the topics of the agenda.

#### ART. 11

Shareholders' meetings may be attended by those who are entitled to vote in accordance with the appropriate attestations issued and disclosed by the brokers pursuant to the law.

#### ART. 12

Each common share is entitled to one vote. Each shareholder having the right to attend the Shareholders' Meeting may have himself represented by written proxy by another person, not necessarily a shareholder, under the laws and regulations in

force.

The Chairman of the Shareholders' Meeting is responsible for ascertaining the right of attendance, including attendance by proxy.

Any shareholder may issue the proxy through the specific section of the Company's Internet website as set forth in the notice of calling, in compliance with the laws and regulations in force.

The Company waives the right to appoint a "common representative", as provided for by art. 135-undecies, § 1, of the Italian Financial Services Act.

#### ART. 13

Shareholders' meetings are chaired by the Chairman of the Board of Directors or by the Deputy Chairman designated by the same. In the event the Chairman of the Board of Directors is absent and lacking any designation of the Deputy Chairman chairing the meeting, the Shareholders' Meeting shall be chaired by the Deputy Chairman of the Board of Directors or, in the event of several Deputy Chairmen having been appointed as provided for by art. 18 hereof, by the Deputy Chairman senior in office or, in case of the same seniority of office, by the senior in age. In case all the offices mentioned above are absent, the Shareholders' Meeting shall be chaired by a person elected by the majority vote of those attending the Meeting.

The Chairman of the Shareholders' Meeting is responsible for verifying that the Meeting is regularly formed, ascertaining the identity of those attending the same and their right of attendance, governing the Meeting's course and ascertaining the vote results.

The operation of Shareholders' Ordinary and Extraordinary Meetings is governed by a regulation approved by the Shareholders' Ordinary Meeting and valid for all subsequent meetings, until said regulation is amended or replaced. Moreover, at

every meeting, the Shareholders' assembly may previously decide not to observe one or more provisions of said regulation.

#### ART. 14

The Shareholders' Ordinary Meeting is duly formed as follows: at first calling, by the presence of a number of shareholders representing at least half of the voting capital; at second calling, irrespectively of the percentage of voting capital being represented.

In any case, resolutions are taken by the absolute majority of votes, abstentions being excluded from said calculation, except for the appointment of board members, for which the relative majority is sufficient, and for the appointment of the Board of Auditors, to which the provisions of Art. 25 hereinbelow shall apply.

The Shareholders' Extraordinary Meeting is validly formed, at first calling, by the attendance of a number of shareholders holding more than half of the voting capital, and at second and third calling, by the attendance of a number of shareholders holding more than one third and more than one fifth of said capital, respectively. The Shareholders' Extraordinary Meeting shall resolve at first, second, and third calling by the favourable vote of at least two thirds of the capital attending the meeting, subject to special majorities required in the cases expressly provided for by mandatory regulations.

#### ART. 15

According to the Chairman's instructions, the Shareholders' assembly shall appoint the Secretary, who may be selected also among non-shareholders. The Chairman of the Shareholders' Meeting shall, if he or she deems it appropriate, select two counting assistants.

The Shareholders' Meeting's resolutions are evidenced by minutes signed by the

Chairman, the secretary, and/or by the Notary Public, if attending the meeting, as well as by the counting assistants if designated by the Chairman.

Whenever it is so required by the law or whenever the Chairman of the Shareholders' Meeting deems it appropriate, the minutes shall be drawn up by a notary public designated by the Chairman; in such a case, the Chairman may anyway request the Secretary's assistance.

#### **TITLE IV**

##### **Company management**

###### **ART. 16**

The Company is managed by a Board of Directors composed of nine to fifteen members who meet the requirements provided for by laws and regulations.

The directors, who may be also non-shareholders, hold office for the period of time as determined by the Shareholders' assembly, but not exceeding three years, and may be re-elected.

In order to ensure, with a view to substantial equality, the balance between genders and favour, at the same time, the less represented gender's access to corporate offices, one fifth of the members of the Board of Directors to be appointed on the occasion of the first renewal of such managing body taking place after August 12, 2011, and one third of the members to be appointed for the two terms of office subsequent thereto, shall belong to the gender which is less represented within the Board of Directors.

As a general rule, the Board of Directors is appointed by the Shareholders' Assembly based on lists, submitted by shareholders, setting forth the candidates listed by a progressive number.

Only shareholders globally holding, on their own or collectively with the other shareholders with whom they file the same list, a number of shares representing at least 2.5% (or a lower percentage as provided for by the provisions of applicable laws and regulations) of the company's share capital with voting right in shareholders' ordinary meetings, are entitled to file lists.

The lists, signed by the filing parties and complying with the law provisions, must be filed at the Company's registered office, according to the terms and manner provided for by applicable laws and regulations. The lists shall then be made available to the public pursuant to the provisions of applicable laws and regulations.

The lists shall set forth the candidates meeting the requirements of independence provided for by the law.

Each candidate may be registered in one list only, under penalty of ineligibility.

The lists shall be accompanied by:

- a) the information on the identity of the shareholders having filed the same, with the indication of the participating interest globally held, with a certificate issued by a chartered broker in compliance with the law, in order to prove the ownership of the number of shares necessary to file lists;
- b) the candidates' personal and professional curricula;
- c) the candidates' statements by which the same attest, under their own responsibility, the possible fulfilment of the requirements of independence provided for by the law;
- d) the candidates' statements by which the same attest, under their own responsibility, the fulfilment of honour requirements and of any other requirement provided for by the laws and the company's by-laws for holding

office;

- e) the candidates' statements by which the same attest, under their own responsibility, the inexistence of any reasons for ineligibility and incompatibility as provided for by the law and the company's by-laws;
- f) the candidates' statements by which the same attest, under their own responsibility, that there is no circumstance or event in connection with which the candidate may bring about a legal action against the company;
- g) the statements by which the single candidates accept their candidature;

Each list shall include the candidature of individuals, the number of whom shall be at least equivalent to the number of independent directors who are required to be part of the Board of Directors according to the law, meeting the requirements of independence provided for by the laws and regulations applicable to the auditors of companies listed in Italian regulated stock markets.

Each list containing three or more candidates shall include a number of candidates who, meeting the above requirements, belong to the gender which is less represented within the Board of Directors, in the proportion of one fifth of the candidates for members of the Board of Directors to be appointed on the occasion of the first renewal of such managing body taking place after August 12, 2012, and one third of the candidates for members of the Board of Directors to be appointed for the two terms of office subsequent thereto.

The notice of calling may set forth additional details relating to the formation and operation of the lists in order to comply with the provisions of laws and regulations in force with reference to the composition of the Company's Board of Directors.

In accordance with section 2387 of the Italian Civil Code, candidature as director may be submitted only by the individuals who:

- a) have accrued at least a three-year experience in the following:
- administration or audit activities, or managing tasks with joint-stock companies having a corporate capital of not less than two million euros;
  - professional activities or regular university teaching in legal, economic, financial, or technical/scientific subjects related to the sectors of building and construction in general, of public and private works, and acquisition and execution of works under concession contracts;
  - management functions with public bodies or public authorities operating in the credit, financial, and insurance sectors, or in any event in the sectors as described in the paragraph above.
- b) are neither directors nor employees of Company's competitors, nor consultants or collaborators of such competitors;
- c) have not any interest in pending disputes against the Company or any of the companies belonging to the Group;
- d) meet the requirements provided for by behavioural codes adopted by the Company.

Each shareholder and the shareholders belonging to the same group (such latter shareholders being the shareholders holding, between them, a relationship of direct or indirect control or affiliation, or who are controlled by the same entity) as well as the shareholders having entered into - or whose controlling entities have entered into - an agreement as per art. 122 of the Italian *Decreto Legislativo* No. 58 of 24 February 1998, may submit, contribute to the submission of, and vote one list only, even by means of third parties or trust companies.

The lists which fail to comply with the above provisions shall be considered as not submitted.

The assents and votes cast in breach of the above provisions shall not be attributed to any list.

The members of the Board of Directors are elected as follows.

- 1) a number of directors equivalent to the total number of the members of the Board of Directors fixed by the shareholders' assembly minus one are drawn, in the progressive number in which they are listed in the list, from the list that has obtained the highest number of votes cast by the shareholders.

In the event no list has obtained a number of votes higher than the others, the Shareholders' Meeting shall be called again for a new voting session to be held pursuant to this article;

- 2) one Director, that is the candidate ranking first in the list, is drawn from the list which ranked second in number of votes and which is not connected, in accordance with the criteria provided for by the laws governing the appointment of minority auditors, with the shareholders having submitted or voted the list which ranked first in number of votes. In the event two or more lists filed by minority shareholders have obtained the same number of votes, the candidate senior in age among those ranking first in the lists having obtained an equal number of votes is appointed as director.

In the event that, at the end of the voting session, the above proportions between genders appear not to have been complied with, the list having obtained the higher number of votes shall be scrolled down by replacing the last selected candidate by the first candidate of the less represented gender. In the event the balance between genders is not achieved by scrolling down the list as set forth above, the last paragraph of this articles shall apply.

For the purpose of allotment of the directors to be appointed, the lists which have

not obtained a percentage of votes of at least one half the minimum percentage required for submitting the lists themselves, shall not be taken into account.

In the event one sole list or not any list is submitted, or it is not possible to appoint any candidate while complying with the balance of genders, the shareholders' assembly shall resolve according to the majorities provided for by the law, without following the above procedure, without detriment to the obligation to achieve the balance between genders.

#### ART. 17

The vacancy, during the fiscal year, of one or more directors appointed from the list having obtained the higher number of votes, provided that the majority is still constituted of directors appointed by the shareholders' assembly, shall be filled in accordance with the provisions of section 2386 of the Italian Civil Code. The Board of Directors shall appoint the new director to fill-in such vacancy, as the same shall be appointed by the shareholders' meeting to be held thereafter, anyway in accordance with the majorities provided for by the law and these By-laws in matter of minimum number of independent directors and, in the event the termination of one or more directors occurs after the first renewal of the Board of Directors taking place after August 12, 2012, or during the two terms of office subsequent thereto, any such new director shall be appointed in accordance with the provisions applicable in matter of balance between genders.

The vacancy, during the fiscal year, of the director appointed from the list which ranked second in number of votes, shall be replaced pursuant to the following:

- a) the Board of Directors appoints the new director from the candidates within the same list to which the director terminated from office belonged, provided that the shareholders who submitted such list still hold the participating interest

required for submitting the list, and the shareholder' meeting to be held thereafter shall resolve, according to the majorities provided for by the law, in compliance with the same principle.

In the event the termination of such director occurs after the first renewal of the Board of Directors taking place on August 12, 2012, or during the two terms of office subsequent thereto, and determines any change in the balance of genders within the Board of Directors, as per the foregoing article, replacement shall take place by scrolling down the list up to a candidate belonging to the less represented gender;

- b) in the event the new director can not be appointed from the list which ranked second in number of votes pursuant to paragraph a) above, the Board of Directors – in compliance with the provisions governing the balance between genders, in the event the termination occurs after the first renewal of such managing body taking place after August 12, 2012 or during the two terms of office subsequent thereto - appoints the new director from the candidates within the lists which ranked lower than second in number of votes, in progressive order, provided that the shareholders who submitted the list from which the new director is appointed still hold the participating interest required for submitting the list, and the shareholder' meeting to be held thereafter shall resolve, according to the majorities provided for by the law, in compliance with the same principles;
- c) in the event there is not any candidate who has not been appointed yet, or anyway when the provisions of paragraphs a) and b) can not be complied with for any reason whatsoever, the Board of Directors shall appoint the new director, as the same shall be appointed by the shareholders' meeting to be held

thereafter, in accordance with the majorities provided for by the law and notwithstanding the list vote, but still in compliance with the provisions of laws and regulations and these By-laws in matter of minimum number of independent directors and the provisions on the balance of genders, in the event the termination occurs after the first renewal of such managing body taking place after August 12, 2012, or during the two terms of office subsequent thereto.

- d) Should for any reason the majority of Directors be vacant, the entire Board of Directors shall fall from office, and the directors still holding office shall urgently call the Shareholders' Meeting for the appointment of the new Board of Directors in accordance with article 16 above. The Board of Directors shall also hold office until the Shareholders' Meeting shall have resolved upon the renewal of such body and until the appointment shall have been accepted by more than half of the new Directors. Until then, the Board of Directors may perform exclusively ordinary administration tasks.

#### ART. 18

The Board of Directors elects, from within its members, the Chairman, one or more Deputy Chairmen, and one or more Chief Executive Officers, as well as a secretary who must not necessarily be a member of the Board of Directors.

Should the Chairman be absent, his or her functions shall be performed by the Deputy Chairman; in the event of several Deputy Chairmen, precedence is given to the senior in office or, in the event of equal seniority of office, to the senior in age.

In the event of absence or impediment of the Chairman and the Deputy Chairman or Deputy Chairmen, their functions shall be performed by the most senior Director in office or, in the event of equal seniority, by the Director senior in age.

#### ART. 19

The Board of Directors shall meet – either at the Company’s registered office or elsewhere, also abroad – normally, at least once every two months and, anyway, whenever the Chairman deems it necessary, or when a written application therefor is filed by at least two of its members. Board of Directors' meetings may also be called by the Board of Auditors or by at least two members of such latter Board, by previous notice to be given to the Chairman of the Board of Directors.

The meeting of the Board of Directors is called by written notice to be sent by mail or by fax, telegram, or electronic mail, at least 5 days prior to the date fixed for the meeting. In cases of urgency, the call may be made by notice to be sent 1 day prior to the date fixed for the meeting.

In all cases, notices of calling shall be accompanied by a list of the topics to be discussed and of elements useful for resolving thereon.

The meetings of the Board of Directors and the resolutions taken thereat shall be valid also without a formal calling if the meeting is attended by all the Directors and the Standing Auditors in office.

#### ART. 20

The presence of the majority of the members of the Board of Directors in office is necessary for the validity of resolutions. The resolutions are taken by the absolute majority vote of those attending the meeting.

The Secretary takes care of drawing up and keeping the minutes of each meeting, which shall be signed by the Chairman of the meeting, and by the Secretary.

Board of Directors' meetings shall be validly formed also when held by teleconference or videoconference, provided that all the attendants can be identified by the Chairman and by all others attending the meeting, that they can

follow and take part in real time in the discussion of the topics being discussed, that they can exchange documents regarding such topics, and that evidence of all the above is given in the minutes. If the above conditions are met, the meeting of the Board of Directors is considered as held in the location where the Chairman is, and where the meeting's Secretary must also be, so that the minutes may be drawn up.

#### ART. 21

The members of the Board of Directors and those of the Executive Committee, if appointed, are entitled to receive a yearly compensation established by the Shareholders' Meeting, as well as a reimbursement of the expenses incurred while performing their duties.

The Directors' compensation may fully or partially consist of profit sharing or of rights to subscribe – at a predetermined price - shares to be issued in the future.

Pursuant to section 2389, third paragraph, of the Italian civil code, the compensation due to directors vested with special tasks is established by the Board of Directors, upon hearing the Board of Auditors' opinion.

#### ART. 22

The Board of Directors is vested with all the powers for the management of the Company.

The Board of Directors is also competent for resolving on the following:

- (i) merger and splitting, in the events provided for by sections 2505 and 2505-bis, Italian civil code, in the terms and manner provided for therein;
- (ii) setting up and closing down of secondary offices, also abroad;
- (iii) designation of the directors having the power to represent the Company;
- (iv) decrease the share capital in the event a shareholder withdraws;
- (v) harmonization of the Company's By-laws with law provisions;

(vi) relocation of the registered office within the national territory.

The Board of Directors, also through the Chairman or other directors delegated to this purpose, reports to the Board of Auditors on the activity carried out and on the most important transactions from an economic, financial and equity point of view, performed by the company or its subsidiaries; in particular, it reports on the activities in which the directors have an interest, on their own account or on the account of third parties, or which are influenced by the subject exercising the coordination and management activity. The notice is given promptly and at least quarterly, on the occasion of meetings of the Board of Directors and of the Executive Committee, if appointed, or by written notice addressed to the Chairman of the Board of Auditors.

#### ART. 22 bis

Upon proposal made by one or more shareholders representing at least 20% (twenty percent) of the Company's share capital, the Shareholders' Ordinary Meeting may appoint a honorary chairman to be referred to as "Honorary Chairman", to be selected among highly prestigious individuals having contributed to the Company's success and/or development.

The Honorary Chairman may be selected also among non-directors.

The Honorary Chairman may hold office for a period longer than the Board of Directors' term of office. The Honorary Chairman may be revoked by the Shareholders' Ordinary Meeting for well-grounded reasons.

The Honorary Chairman, if not member of the Board of Directors, may attend the meetings of the Board of Directors and the Shareholders' Meetings, and may express non-binding opinions and viewpoints on the topics discussed by the Board of Directors or by the Shareholders' Meetings. The Honorary Chairman may

represent the Company according to special powers of attorney issued in writing by the competent corporate bodies.

The Board of Directors shall determine the compensation, if any, and other emoluments and/or reimbursement of expenses which the Honorary Chairman is entitled to.

#### ART. 23

The Board of Directors, in compliance with the law provisions and these By-laws, may delegate its powers to an Executive Committee, determining the limits of such delegation.

The composition, operating regulations, and powers of the Executive Committee are determined by the Board of Directors.

The Board of Directors may further set up committees with specific functions and tasks, determining their composition and manner of operation.

The Board of Directors may resolve to delegate its own powers to one or more Chief Executive Officers, determining the limits thereof in compliance with section 2381 of the Italian civil code. The Board of Directors may resolve to delegate its own powers to the Chairman and/or to one or more Deputy Chairmen, determining the limits thereof in compliance with section 2381 of the Italian civil code, and to entrust special tasks to single Directors. The Board of Directors may also entrust tasks to people who are not members of the Board, also appointing one or more general managers – determining their powers, attributions, and compensation – and attorneys for single deeds or categories of deeds.

Those upon whom the above powers are conferred report at least on a quarterly basis to the Board of Directors and to the Board of Auditors as to the activity carried out in performing the tasks entrusted to them.

#### **TITLE IV bis**

##### **Manager in charge of drawing up corporate accounting documents**

###### **ART. 23 bis**

By the Board of Auditors' previous opinion, the Board of Directors appoints and revokes the appointment of the Manager in charge of drawing up the corporate accounting documents as required by the law.

The Board of Directors determines the powers of the Manager in charge of drawing up the corporate accounting documents and the means necessary to fulfil the tasks entrusted to the same.

Anyone meeting the honour requirements provided for by the laws in connection with directors, and having accrued an adequate professional experience on the basis of a three-year period of activity as manager of the administrative, accounting, financial or audit sector of a company listed in a regulated market or of a company carrying out the financial, insurance or banking activity or in a company whose corporate capital amounts to not less than 2 million Euros or having carried out a three-year activity as accounting auditor in any of the auditing companies registered with the special roll kept by Consob, may be appointed as Manager in charge of drawing up corporate accounting documents.

Established failure to fulfil or loss of the above requirements shall result in immediate termination from the office of Manager in charge of drawing up the corporate accounting documents.

## **TITLE V**

### **Company's signature and representation**

#### **ART. 24**

The Chairman, the Deputy Chairman or Deputy Chairmen, and the Chief Executive Officer or Chief Executive Officers have, separately between them, the power of legal representation of the Company before third parties and before courts, together with the power of delegation.

The Board of Directors may further confer the power of legal representation upon the General Manager or the General Managers, in connection with powers and tasks attributed to each one of them by the Board of Directors itself, as well as upon the Technical Managers and the representatives of secondary seats abroad, within the limits of the powers conferred upon each one of them by the Chairman, the Deputy Chairman or Deputy Chairmen, the Chief Executive Officer or Chief Executive Officers.

The power of legal representation may further be conferred upon managers and attorneys for single deeds or categories of deeds, within the limits of the powers conferred upon them by the Chairman, the Deputy Chairman or Deputy Chairmen, the Chief Executive Officer or Chief Executive Officers, and by the General Manager or General Managers, if so authorized.

## **TITLE VI**

### **Board of Auditors**

#### **ART. 25**

The Shareholders' Ordinary Meeting appoints the members of the Board of Auditors, determining their compensations.

The Board of Auditors is formed of three Standing Auditors and three Alternate Auditors, who hold office for a period of three fiscal years, with the powers and obligations provided for by the law. Minority shareholders are entitled to appoint one Standing Auditor, who shall operate as Chairman of the Board of Auditors, and one Alternate Auditor.

In order to ensure, with a view to substantial equality, the balance between genders and favour, at the same time, the less represented gender's access to corporate offices, one fifth of the standing members of the Board of Auditors to be appointed on the occasion of the first renewal of such auditing body taking place after August 12, 2012, and one third of the standing members to be appointed for the two terms of office subsequent thereto, shall belong to the gender which is less represented within the Board of Auditors.

As a general rule, the Board of Auditors is appointed based on lists, submitted by shareholders, setting forth the candidates listed by a progressive number. Each list has two sections, one relating to candidates for Standing Auditors, and the other to candidates for Alternate Auditors.

Each list shall contain at least one candidate for Standing Auditor and at least one candidate for Alternate Auditor both registered with the roll of chartered auditors, who have carried out the accounting audit activity for a period of not less than three years. The candidates shall be listed, within the list, among the candidates for standing auditors and the candidates for alternate auditors, respectively, by the progressive number one or two.

The candidates for auditor who do not meet the requirements as per the above paragraph are selected among those who have accrued an experience of at least three years in carrying out:

- a) administration or audit activities, or managing tasks with joint-stock companies having a corporate capital of not less than two million euros;
- b) professional activities or regular university teaching in legal, economic, financial, or technical/scientific subjects closely related to the sectors of building and construction in general, of public and private works, and acquisition and execution of works under concession contracts;
- c) management functions with public bodies or public authorities operating in the credit, financial, and insurance sectors, or in any event in the sectors described in the paragraph above.

Each shareholder and the shareholders belonging to the same group (such latter shareholders being the shareholders holding, between them, a relationship of direct or indirect control or affiliation, or who are controlled by the same entity) as well as the shareholders having entered into - or whose controlling entities have entered into - an agreement as per art. 122 of the Italian *Decreto Legislativo* No. 58 of 24 February 1998, may submit, contribute to the submission of, and vote one list only, even by means of third parties or trust companies.

Each candidate may be registered in one list only, under penalty of ineligibility.

Those who hold office as Standing Auditors in more than four companies listed in the Italian regulated stock markets or in the regulated stock markets of other European Union member countries, as well as in companies issuing financial instruments widely diffused among the public pursuant to laws and rules governing the matter, cannot be appointed as Auditors.

Only shareholders globally holding, on their own or collectively with the other shareholders, a number of shares representing at least 1% (or the minimum percentage provided for by the provisions of applicable laws and regulations) of the

company's share capital with voting right in shareholders' ordinary meetings, are entitled to file lists.

The lists shall be signed by the shareholder or shareholders submitting the same (also by proxy to one of them) and filed with the company's registered office in accordance with the terms and manner provided for by applicable laws and regulations.

The lists shall be accompanied by:

- a) the information on the identity of the shareholders having filed the same, with the indication of the participating interest globally held, with a certificate issued by a chartered broker setting forth the ownership of the participating interest;
- b) a description of the candidates' personal and professional characteristics, as well as the statements by which the individual candidates accept their candidature and attest, under their own responsibility, that there are no grounds for ineligibility or incompatibility, and that the requirements provided for by the laws and regulations and by the By-laws for the respective offices are met, further setting forth other administration and auditing positions, if any, being held in other companies;
- c) a statement of the shareholders other than the shareholders holding, also collectively, a controlling or relative majority interest, attesting the inexistence of connection relationships with the latter pursuant to the laws and regulations governing this matter.

The lists which fail to comply with the above shall be considered as not submitted.

Each list containing three or more candidates shall include a number of candidates who, meeting the above requirements, belong to the gender which is less represented within the Board of Auditors, in the proportion of one fifth of the

candidates for members of the Board of Auditors to be appointed on the occasion of the first renewal of such auditing body taking place after August 12, 2012, and one third of the candidates for members of the Board of Auditors to be appointed for the two terms of office subsequent thereto.

The notice of calling may set forth additional details relating to the formation and operation of the lists in order to comply with the provisions of laws and regulations in force with the reference to the composition of the Company's Board of Auditors. The members of the Board of Auditors are elected as follows. Two standing and two alternate auditors are drawn, in the progressive number in which they are listed in the corresponding sections of the list, from the list that has obtained the highest number of votes cast by the shareholders attending the meeting. The remaining standing member and the other alternate member are drawn from the list that ranked second in number of votes, among the lists submitted and voted by the shareholders holding no relationship with the majority shareholders in compliance with the laws and regulations in force, on the basis of the progressive number with which they were listed in the corresponding sections of the list. In the event two or more lists filed by minority shareholders have obtained the same number of votes, the candidates senior in age among those appearing under number one in the corresponding sections of the lists obtaining an equal number of votes are appointed as standing auditor and alternate auditor.

In the event that, at the end of the voting session, the above proportions between genders appear not to have been complied with, the list having obtained the higher number of votes shall be scrolled down by replacing the last selected candidate by the first candidate of the less represented gender. In the event the balance between genders is not achieved by scrolling down the list as set forth above, the last-but-

one paragraph of this articles shall apply.

In the event only one list is submitted, all the standing and alternate auditors are drawn therefrom, to be elected according to the order in which they are listed, without detriment to the obligation to observe the above proportions in connection with the gender which is less represented within the Board of Auditors. In this case, the title of Chairman of the Board of Auditors is attributed to the person registered as first in the list.

In the event the requirements provided for by the laws and regulations and these By-laws are not met, the Auditor falls from office.

Outgoing auditors may be re-elected.

In the event an Auditor falls from office, for any reason whatsoever, the same is replaced by the first alternate auditor elected in the same list, by previously verifying fulfilment of the above requirements. However, in the event the termination, for any reason whatsoever, of any standing Auditor occurs after the first renewal of the auditing body taking place after August 12, 2012, or during the two terms of office subsequent thereto, replacement shall take place by taking into account the balance between genders within the Board of Auditors in accordance with the provisions set forth in this article. Therefore, such terminated auditor shall be replaced by appointing the first alternate auditor elected within the same list who may ensure compliance with the provisions governing the balance between genders and, if it were not possible, by scrolling down the list up to a candidate belonging to the less represented gender. In the event the balance between genders is not achieved by scrolling down the list, the third last paragraph of this article shall apply.

In the event the Standing auditor drawn from the list which ranked second in

number of vote falls from office and can not be replaced, for any reason whatsoever, by the alternate auditor appointed from that same list, the same shall be replaced – by previously verifying fulfilment of the above requirements – by the candidate registered immediately thereafter within that same list or, in default, by the candidate registered as first in the list which ranked second in number of votes among the lists filed by minority shareholders. However, in the event the termination, for any reason whatsoever, of the Standing Auditor drawn from the list which ranked second in number of votes occurs after the first renewal of the auditing body taking place after August 12, 2012, or during the two terms of office subsequent thereto, replacement shall take place by taking into account the balance between genders within the Board of Auditors in accordance with the provisions set forth in this article. Therefore, such terminated auditor shall be replaced by the first alternate auditor elected within the list which ranked second in number of votes who may ensure compliance with the provisions governing the balance between genders and, if it were not possible, by scrolling down the same list up to a candidate belonging to the less represented gender. In the event the balance between genders is not achieved by the method described above, such terminated auditor shall be replaced by the first candidate of the list which ranked second in number of votes among the lists filed by minority shareholders, if necessary by scrolling down such list. In the event the balance between genders is not achieved by such method, the third last paragraph of this article shall apply.

In the event the terminated auditor can not be replaced by adopting the above criteria, a proper shareholders' meeting is called, without detriment to the obligation to achieve the balance between genders in the event the termination occurs after the first renewal of the auditing body taking place after August 12,

2012, or during the two terms of office subsequent thereto.

In the event one sole list or not any list is submitted, or it is not possible to appoint any candidate while complying with the balance of genders, the Shareholders' Assembly shall appoint the Board of Auditors and the Chairman of the Board of Auditors by resolving by relative majority, without detriment to the obligation to observe the above proportions in connection with the gender which is less represented within the Board of Auditors. In this case, in the event an Auditor falls from office before the expiry date of his or her term of office, the alternate Auditors according to seniority in age shall replace him or her until the Shareholders' Meeting held thereafter - without detriment to the obligation to observe the above proportions in connection with the gender which is less represented within the Board of Auditors - and, in the event the Chairman falls from office, the title of Chairman is taken on by the Auditor senior in age until the Shareholders' Meeting held thereafter.

The Board of Auditors meetings shall be considered as validly formed also when held by teleconference or videoconference, provided that all those attending the meeting may mutually identify one another, that they can follow and take part in real time in the discussion of the topics being discussed, that they can exchange documents regarding such topics, and that evidence of all the above is given in the minutes. If such requirements are met, the meeting of the Board of Auditors is considered as held in the location set forth in the notice of calling of the meeting of the Board of Auditors itself, and where at least one Auditor must be present.

## **TITLE VII**

### **Financial statements and profits**

#### **ART. 26**

The Company's fiscal years are closed on the 31st of December of every year. At the end of every fiscal year, the Board of Directors shall draw up the company's financial statements in accordance with the law.

#### **ART. 27**

5% (five percent) of the net profits as appearing from the company's financial statements shall be allocated to legal reserve until said reserve reaches an amount corresponding to one fifth of the company's capital.

A percentage of the net profits shall be allocated, according to the instructions to be given by the Board of Directors and up to a maximum of 1.5% (one point five percent) thereof, to a fund available to the Board of Directors for donation purposes, on which it may operate with full autonomy.

The remaining net profit shall be allocated according to Shareholders' Meeting resolutions.

The Board of Directors has the power to resolve to distribute interim dividends within the limits and in the forms provided for by the law.

#### **ART. 28**

Dividends are paid by the banking institutions designated by the Board of Directors and within the term annually fixed by the Board of Directors itself.

#### **ART. 29**

Dividends not collected within five years after the day on which they became payable shall be prescribed in favour of the Company.

## **TITLE VIII**

### **Dissolution**

#### **ART. 30**

In the event the company is dissolved, at any time and on any grounds, the Shareholders' Meeting shall determine the liquidation procedures and appoint one or more liquidators, determining their powers.

Signed by: Ernesto MONTI

Salvatore MARICONDA, Notary