

(Translation from the Italian original, which is the only definitive and legally valid version)

REPORT ON CORPORATE GOVERNANCE AND OWNERSHIP STRUCTURE

pursuant to article 123-*bis* of Legislative decree no. 58/1998
("Consolidated Finance Act")

(traditional administration and control model)

Issuer: **IMPREGILO S.p.A.**
internet site: www.impregilo.it

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1. ISSUER PROFILE

The corporate governance structure adopted by Impregilo S.p.A. (the “Issuer” or the “company”) is based on the guidelines set out in the Code of Conduct approved in March 2006, amended in March 2010 and approved in December 2011 by the Committee for Corporate Governance and promoted by Borsa Italiana S.p.A., ABI, Ania, Assogestioni, Assonime and Confindustria, available to the market on Borsa Italiana’s website: www.borsaitaliana.it (the “Code”), as it holds that adoption of a structured governance system allows the company to operate at maximum efficiency conditions and also ensures growing levels of transparency which increase investors’ confidence in it.

Impregilo is currently the leading general contractor in Italy and one of the most important general construction groups internationally. Thanks to its business and organisational skills, technical and financial expertise, risk management abilities and time and cost optimisation capacity, the group has an unrivalled wealth of expertise and skills which enables it to play a leadership role in the civil engineering large-scale works market and large-scale infrastructure and plant construction business.

The scope of this Report on corporate governance and ownership structure (the “report”) is to illustrate the company’s corporate governance model and provide a brief description of how it has been implemented.

It is based on the specially designed model prepared by Borsa Italiana S.p.A. (Fourth edition - January 2013).

Salini S.p.A. has launched a voluntary takeover bid for all the ordinary shares of Impregilo S.p.A. which it does not already hold and, therefore, excluding Impregilo’s savings shares (the “Bid”), with its Bid Document approved with Consob resolution no. 18496 of 13 March 2013. The offering period will close before the shareholders’ meeting of Impregilo called to approve the financial statements at 31 December 2012. Therefore, disclosure in this report about Impregilo’s ownership structure refers to the date of this report and may undergo change as a result of the outcome of the Bid before the shareholders’ meeting takes place.

2. INFORMATION on the OWNERSHIP STRUCTURE (article 123-bis.1 of the Consolidated Finance Act) at 25 March 2013

a) Share capital structure (article 123-bis.1.a) of the Consolidated Finance Act)

Subscribed and paid-up share capital in Euros: **718,364,456.72**

Share categories: **ordinary and savings.**

In their extraordinary meeting of 12 October 2004, the shareholders eliminated the nominal amount of both classes of shares.

	No. of shares	% of share capital	Stock exchange
Ordinary shares	402,457,937	99.60	MTA
Savings shares	1,615,491	0.40	MTA

To date, Impregilo S.p.A. has not issued other financial instruments that give the right to subscribe newly issued shares.

The Issuer does not have stock option plans.

b) Share transfer restrictions (article 123-bis.1.b) of the Consolidated Finance Act)

Impregilo S.p.A. does not have any restrictions on voting rights.

c) Significant investments in share capital (article 123-bis.1.c) of the Consolidated Finance Act)

Based on the statements made in accordance with article 120 of the Consolidated Finance Act, shareholders with investments of more than 2% in the Issuer's ordinary share capital are currently:

Declarant	Direct shareholder, if different to the declarant	% of ordinary shares
IGLI S.p.A.		29.959
SALINI S.p.A.		29.835
UBS AG		2.502

d) Shares that give special rights (article 123-bis.1.d) of the Consolidated Finance Act)

Impregilo S.p.A. has not issued shares that give special rights.

e) Employee involvement in share capital: voting rights exercise mechanism (article 123-bis.1.e) of the Consolidated Finance Act)

Impregilo S.p.A. does not have a plan whereby its employees are involved in its share capital.

f) Restrictions on voting rights (art. 123-bis.1.f) of the Consolidated Finance Act)

Impregilo S.p.A. does not have any restrictions on voting rights.

g) Shareholder agreements (article 123-bis.1.g) of the Consolidated Finance Act)

The Issuer is aware of the following shareholder agreement, considered to be material under article 122 of Legislative decree no. 58 of 24 February 1998:

- shareholder agreement included in the sale agreement between Argo Finanziaria S.p.A. (replaced by Autostrada Torino Milano S.p.A. on 5 March 2012) and Autostrade per l'Italia S.p.A. of 24 February 2012, covering limits to the acquisition of Impregilo shares.

An abstract of the above agreement, made public as required by article 122 of Legislative decree no. 58 of 24 February 1998 and articles 129 and 130 of Consob

resolution no. 11971/99, as subsequently amended (the “Issuer Regulation”), is given in an annex to this report.

h) Change of control clause (article 123-bis.1.h) of the Consolidated Finance Act) and by-laws provisions about takeover bids (article 104.1-ter and article 104-bis.1)

The Issuer is not controlled by another entity.

Impregilo’s by-laws do not make any provision for takeover bids and, therefore, do not depart from the measures about the passivity rule pursuant to article 104 of the Consolidated Finance Act, nor do they provide for application of the breakthrough rules envisaged by article 104-bis.2/3 of the Consolidated Finance Act.

i) Mandates to increase share capital and to repurchase treasury shares (article 123-bis.1.m) of the Consolidated Finance Act)

The board of directors is not authorised to increase share capital.

The shareholders have not authorised the repurchase of treasury shares.

l) Management and coordination (article 2497 and following articles of the Italian Civil Code)

The company is not managed or coordinated by other companies or entities.

The information required by article 123-bis.1.i) of the Consolidated Finance Act (“*agreements between companies and their directors that provide for compensation in the case of their resignation or dismissal without just cause or if their relationship is discontinued following a takeover bid*”) is set out in the remuneration report published pursuant to article 123-ter of the Consolidated Finance Act.

The information required by article 123-bis.1.l) of the Consolidated Finance Act (“*the rules applicable about the appointment and replacement of directors ... and changes to the by-laws, if different to those provided for by law and regulations applicable on a substitute basis*”) is disclosed in the section on the board of directors in this report (section 4.1).

3. COMPLIANCE (article 123-bis.2.a) of the Consolidated Finance Act)

- Impregilo S.p.A. has complied with the requirements of the original version of the Code of Conduct issued by the Committee for Corporate Governance of Borsa Italiana S.p.A. and the subsequent version published in July 2002. Following publication of the new Code of Conduct in March 2006 by the above Committee, the Issuer’s board of directors’ meeting of 20 December 2006 resolved to request the internal control committee perform an in-depth comparative analysis of the company’s corporate governance structure compared to the Code requirements and to

provide the board with its assessments, opinions and proposals about alignment with the Code and necessary actions.

Based on such analysis and proposals, the board meeting of 12 March 2007 resolved to comply with the Code of Conduct drawn up by the Committee for Corporate Governance of Borsa Italiana S.p.A. (March 2006 version), with the methods and exceptions set out below.

Finally on 16 October 2012, after analysing the individual changes to the December 2011 Code of Conduct and considering that proposed by the risk and control committee in the meeting of 21 September 2012, the board of directors resolved to confirm the Issuer's compliance with the Code of Conduct, as revised in December 2011, using the methods set out below.

Specifically, in order to align the company's corporate governance structure with the standards and criteria of the Code (March 2006 version), on 12 March 2007, the board of directors resolved:

- with respect to criterion 1.C.1.b), to classify FISIA Italmimpianti S.p.A., Impregilo International Infrastructures N.V. and Ecorodovias Infraestructura e Logística (formerly Primav Ecorodovias) S.A. as "strategic subsidiaries"; to assess the organisational, administrative and accounting structure of the Issuer and strategic subsidiaries Impregilo International Infrastructures N.V. and Ecorodovias Infraestructura e Logística S.A., setting measures to be adopted for FISIA Italmimpianti S.p.A.'s organisational structure; the group does not currently have an investment in Ecorodovias Infraestructura e Logística S.A. and, therefore, it is no longer a strategic subsidiary;
- with respect to criterion 1.C.1.f), to adopt the rules described in section 4.3 of this report;
- with respect to criterion 1.C.1.g), to perform once a year, during the meeting held to approve the financial statements, an assessment of the size, composition and working of the board of directors itself and its committees;
- with respect to criterion 1.C.3., to adopt the rules described in section 4.2 of this report;
- with respect to criterion 2.C.1., to confirm the previous assessment stated in the board meeting of 7 July 2005 and, therefore, to consider the directors members of the executive committee as non-executive, given that participation in this committee, considering the frequency of the meetings and subject of the related resolutions, does not entail the systematic involvement of its members in the day-to-day management of the company nor does it lead to a significant increase in their remuneration compared to that received by the other non-executive directors; and, therefore, only the CEO qualifies as an executive director;
- with respect to criterion 2.C.2., as proposed by the chairperson, that the relevant internal functions provide all the directors and statutory auditors with access to the company's intranet site to allow their direct access to the documentation and information posted thereon; and to organise their involvement in the training course on the Organisational, management and control model; on 30 November 2010, a training session was held during a board meeting for the directors and statutory auditors about Legislative decree no. 231/01 and the Issuer's Organisational, management and control model with the attendance of the members of the supervisory board, pursuant to article 6 of Legislative decree no. 231/01, and the company's consultants;

- with respect to criterion 3.C.4., to generally comply with the requirements set by the Code about directors' independence and that any non-compliance therewith should be justified;
- with respect to criterion 3.C.5., that the outcome of the controls performed to check the correct application of the criteria and procedures put in place by the board to assess the independence of its members be communicated by the board of statutory auditors to the market in its report to the shareholders. The board of statutory auditors stated that it complies with this resolution during the board meeting;
- with respect to criterion 3.C.6., that the independent directors meet annually, before the board meeting held to approve the annual financial statements, for self-assessment purposes and that any remedial action to be taken be examined with respect to the role played by independent directors within the board; they report to the board on their findings;
- with respect to criterion 4.C.1., to approve a specific "Procedure for the internal management and external communication of documents and information" to replace the "Internal regulations for disclosing "price sensitive" documents and information to the market", approved by the board of directors on 27 March 2001, as described in paragraph 5 of this report;
- with respect to criterion 5.C.1.c), to make available to the internal control and remuneration committees (now the risk and control committee and the remuneration and appointment committee, respectively) an annual budget of € 25,000 per committee to be used for any necessary consultancy or other services to carry out their duties. The prior authorisation of outlays is not necessary although the committees are required to document their expenses. They may also avail of internal information and personnel;
- with respect to standard 6.P.2., not to set up an appointment committee as, to date, the shareholders have not encountered difficulties in proposing suitable candidates (and no such difficulties are envisaged) such that the composition of the board of directors complies with that recommended by the Code; following the amendments to the Code approved by the Committee for Corporate Governance in December 2011, the board resolved to rename the remuneration committee as the remuneration and appointment committee on 18 July 2012, giving it the duties envisaged by the Code for the appointment committee;
- with respect to criterion 6.C.1., to comply with the criterion proposing the related change in the by-laws to the shareholders in their extraordinary meeting; the shareholders actually resolved to change the by-laws in their extraordinary meeting of 27 June 2007; following the new rules introduced by Legislative decrees nos. 27 and 39 of 27 January 2010, the board of directors amended article 20 of the by-laws again pursuant to article 24 of the same by-laws, as described in section 4.1 of this report;
- with respect to criterion 7.C.3., to assign the duties as per such criterion to the remuneration committee; and that this committee will appoint a chairperson from among its members and draw up new rules for its working; with its resolution of 2 May 2011, following renewal of the board of directors elected by the shareholders on 28 April 2011 and in order to set up a remuneration committee, the board of directors gave this new committee the duties set out by the Code drawn up by Borsa Italiana's Committee for Corporate Governance

(March 2006 edition), as amended in March 2010; on 18 July 2012, the board elected by the shareholders on 17 July 2012 gave the remuneration and appointment committee the duties set out by the Code as revised in December 2011 when setting it up;

- with respect to criterion 8.C.1.a), considering changes in legislation over time and in the organisational structure, to postpone the procedure, and, when and if necessary, to update the “Guidelines for internal control policies” approved by the board of directors on 21 March 2000 with the assistance of the internal control committee; the board adopted a document setting out the “Guidelines for the internal controls of IMPREGILO S.p.A.” as proposed by the internal control committee with its resolution of 25 March 2009 replacing the “Guidelines for internal control policies”. This document defines and sets out the objectives of the internal controls, the guiding principles and the parties in charge of it (the board of directors, the CEO as the Executive director in charge of internal controls, the internal control committee, the internal control supervisor, the board of statutory auditors, the independent auditors, the manager in charge of financial reporting and the supervisory board pursuant to article 6 of Legislative decree no. 231/01) and the components making up the internal controls being the organisational structure, the proxies and delegation system, the Organisational, management and control model, the Impregilo group Code of Ethics and internal organisational documents;
- with respect to criterion 8.C.1.b), to nominate the CEO as the “Executive director in charge of internal controls”; on 18 July 2012, following appointment of the current board of directors by the shareholders on 17 July 2012, the board confirmed the CEO as the “Director in charge of internal controls and risk management”, pursuant to criterion 7.P.3.a) (i) of the Code, as revised in December 2011;
- with respect to the last paragraph of criterion 8.C.1., to set the remuneration of the internal control supervisor after consulting the internal control committee and upon the proposal of the CEO, as the Executive director in charge of internal controls; on 26 August 2011, with the approval of the Executive director in charge of internal controls and the directors making up the internal control committee, the board of directors approved the proposal of the remuneration committee and resolved on the internal control supervisor’s remuneration; on 25 September 2012, the board of directors resolved on the remuneration of the internal control supervisor and the internal audit head upon the proposal of the Director in charge of internal controls and risk management and with the favourable opinion of the risk and control committee and the board of statutory auditors;
- with respect to criteria 8.C.1. and 8.C.3., to give the internal control committee the duties and functions set out in letters a), b), c), f) and g) of criterion 8.C.3 and those of criteria 8.C.1 and 9.C.1; moreover, considering the positive opinion of the board of statutory auditors (reiterated by the present statutory auditors in their meeting of 2 May 2011), to assign it the duties and functions set out in letters d) and e) of criterion 8.C.3. without altering the fact that the board of statutory auditors shall carry out such duties and functions in compliance with the methods that allow the board of directors to review its work, which should be made available on a timely basis; that the committee shall appoint a

chairperson from among its members and shall draw up operating rules; that the committee shall meet at least four times a year and always when the annual, interim financial and quarterly reports are being approved; on 18 July 2012, the board of directors elected by the shareholders on 17 July 2012 re-elected the risk and control committee and assigned the committee the duties pursuant to article 7 of the Code, as revised in December 2011;

- with respect to criterion 8.C.6., to define the duties of the internal control supervisor in line with such criterion; and that this person also reports to the CEO as the “Executive director in charge of internal controls”;
- with respect to criterion 9.C.1., to replace the “Guidelines for transactions with related parties” ruling until then; the board of directors approved a specific new procedure on 30 November 2010 after receiving the favourable opinion of the related party transactions committee, pursuant to article 2391-*bis* of the Italian Civil Code and article 4.1/3 of the Consob regulation which sets out instructions for related party resolutions adopted with resolution no. 17221 of 12 March 2010 and subsequently amended with resolution no. 17389 of 23 June 2010; on 29 November 2010, the board of statutory auditors assessed the new procedure’s compliance with the criteria set out in the Regulation; this procedure described in section 12 of this report sets out the rules, methods and criteria aimed at ensuring the transparency and substantial and procedural correctness of related party transactions carried out by the Issuer either directly or via its subsidiaries; subsequently, in its meeting of 20 April and then of 9 July 2012, the board of directors amended the Procedure for related party transactions after receiving the favourable opinion of the related party transactions committee. On 20 April and 9 July 2012, the board of statutory auditors confirmed that the Procedure, as per its latest revision, complies with the requirements of the above Consob regulation;
- with respect to criterion 9.C.2., that, subject to the provisions of article 2391 of the Italian Civil Code, directors with interests, either directly or on behalf of third parties, in a corporate transaction to be approved by the board of directors or executive committee may participate in the related discussions and vote thereon as such participation represents a reason for taking a responsible decision about a transaction about which the director may have greater knowledge than the other directors; that, however, the board of directors or executive committee may ask such directors to leave the meeting during the discussion on a case-by-case basis;
- with respect to standard 10.P.3. and criteria 10.C.6. and 10.C.7., to adopt the “Guidelines for relations with the board of statutory auditors” after the latter’s approval, available on the internet site www.impregilo.it, in the “Corporate Governance - Board of statutory auditors” section.
- with respect to criterion 10.C.7., to propose to the shareholders, in an extraordinary meeting, that the lists of candidate statutory auditors shall be deposited at the company’s registered office at least fifteen (rather than ten, as provided for on 12 March 2007) days before the date set for the meeting; in their extraordinary meeting of 27 June 2007, the shareholders actually modified the by-laws; following the new rules introduced by Legislative decrees nos. 27 and 39 of 27 January 2010, the board of directors amended article 29 of the by-laws

again, pursuant to article 24 of the same by-laws, as described in section 13 of this report;

- with respect to criterion 11.C.1., that the document explaining how shareholders may participate in shareholders' meetings and exercise their voting rights will be published and posted on the internet site www.impregilo.it, in the "Corporate Governance - Shareholders' meeting" section;
- to note that the company's corporate governance system already complies with the other provisions of the Code.

Impregilo S.p.A. and its strategic subsidiaries are not subject to non-Italian legislation that would affect the Issuer's corporate governance structure.

4. BOARD OF DIRECTORS

4.1 APPOINTMENT AND REPLACEMENT (article 123-bis.1.l) of the Consolidated Finance Act)

Article **20**) of the Issuer's by-laws states that "*the company is run by a board consisting of fifteen members.*

Those candidates that meet the requirements set by the legislation and regulations in force at the time of their appointment may accept such appointment.

Directors are elected using lists presented by the shareholders that comply with the pro tempore legislation about gender equality (using the methods described below) in which the candidates are set out in consecutive order.

In order to be valid, each list includes at least two candidates that meet the independence requirements established by law. They are shown separately and one of the two heads the list.

The lists shall be deposited at the Issuer's registered office at least twenty-five days before the date of first call of the shareholders' meeting, as detailed in the notice calling the meeting.

Shareholders, shareholders forming part of significant shareholder agreements as per article 122 of Legislative decree no 58/1998, the parent, subsidiaries and jointly controlled entities as per article 93 of Legislative decree no. 58/1998 may not present, or be involved in presenting (also via trustees or nominees), more than one list. Nor can they vote (also via trustees or nominees) for more than one list. Moreover, each candidate may only be present in one list in order to be eligible. Inclusion in more than one list or votes for more than one list is/are not counted.

Only those shareholders that, either individually or together with other shareholders, own shares making up at least 2% of the share capital with voting rights at ordinary meetings (or a smaller percentage set by mandatory legislative or regulatory instructions), may present lists (Consob established the percentage as 1% for the presentation of lists for the election of the directors and statutory auditors of Impregilo S.p.A., pursuant to the Consolidated Finance Act and the Issuer Regulation in its resolution no. 18452 of 30 January 2013).

Together with each list and within the timeframe described earlier, the shareholders deposit: (i) statements whereby each candidate accepts their candidature and states, under their own responsibility, the inexistence of any reasons for ineligibility or incompatibility and the existence of the requirements for the relevant offices; (ii) a professional and personal profile of each candidate and mention of whether they qualify

as independent and any offices held as director or statutory auditor in other companies; and (iii) any other information that is requested in the notice calling the shareholders' meeting and required by the applicable law or regulations.

In addition, the relevant certificate issued by a legally-authorized broker, showing ownership to the number of shares necessary to present lists at the date of depositing the list with the company within the deadline set by the relevant laws for the publication of lists, is also to be lodged

Lists with a number of candidates equal to or greater than three shall include male and female candidates so that the less represented gender makes up at least one fifth (for their first mandate after 12 August 2012) and subsequently one third (rounded upwards) of the candidates.

Lists which are presented that do not meet the above requirements are considered not to have been presented.

The following procedure is carried out to elect the directors: a) when there is at least one list that has received votes making up at least 29% of the share capital with voting rights at ordinary shareholders' meetings, 14 directors to be appointed are taken from the list which got the most votes in the order in which they are set out in the list while the other director is taken from the list presented by minority shareholders that got the most votes and is not linked in any way (directly or indirectly) to the shareholders that presented or voted for the list that got the most votes. Should the first two lists have received the same number of votes, seven directors are taken from each one in the order in which they are set out therein while one director is taken from the list that came third in terms of the votes received and is not linked in any way (directly or indirectly) to the shareholders that presented or voted for the lists that got the most votes. If only two lists are presented, the fifteenth director is the oldest candidate from those not taken from the first two lists;

b) if none of the lists gets votes equal to at least 29% of the share capital with voting rights at ordinary shareholders' meetings, the 15 directors are taken from all the lists presented as follows: the votes obtained by the lists are divided by entire numbers from one to 15. The resulting scores are assigned to the candidates of each list in consecutive order using the order in which they are included in the lists. The candidates are then included in a single decreasing order list, based on the scores given to each one.

Those with the highest score are elected. If more than one candidate has the same score, the one from the list that has not had any director elected from it or has had the smallest number of directors elected is taken.

Lists that do not obtain a vote percentage equal to at least half that set by the by-laws for the presentation of lists are not considered

Should the election of candidates using the above methods not ensure composition of the board of directors in accordance with the pro tempore legislation about gender equality, the candidate of the gender most represented elected last in consecutive order from the list that received most votes shall be replaced by the first candidate of the less represented gender not elected from the same list in progressive order. This replacement procedure shall be continued until the board of directors composition complies with the pro tempore legislation about gender equality. Should it not lead to such compliance, replacement shall take place by resolution passed by the shareholders

with a relative majority vote, after presentation of the candidates of the less represented gender.

Should no lists be presented or those presented not be accepted for voting purposes, the shareholders use the majority vote system, without considering the above procedure, while ensuring the necessary number of directors with the independence requirements set by law (as the company's by-laws do not include additional requirements to those established by law), and compliance with the pro tempore legislation about gender equality.

The list voting procedure is only used when an entire board is being appointed.

Should one or more directors leave their position during the year, in order to ensure that the majority of the board is always made up of directors appointed by the shareholders, the board of directors replaces them pursuant to article 2386 of the Italian Civil Code, appointing candidates from the list to which the former director belonged, in consecutive order, and who are still eligible and willing to accept the position. Directors who have left office are always replaced: (i) ensuring the presence of the number of directors with the independence characteristics required by law necessary and (ii) in compliance with the pro tempore about gender equality. If there is no longer a majority, the remaining directors also fall from office with effect from when the board is re-elected by the shareholders”.

The Issuer is not subject to additional requirements for its board's composition other than those imposed by the Consolidated Finance Act (especially with respect to the representation of minority investors and/or the number and characteristics of the independent directors).

Succession plans

With respect to criterion 5.C.2 of the Code, the board of directors resolved to adopt a succession plan for the sole executive director (the CEO) on 16 October 2012 as proposed by the risk and control committee in its meeting of 21 September 2012. It is assisted by Spencer Stuart, a market leader in this sector in Italy and abroad.

The plan is the first step of a more complex procedure for the succession of all senior management. It focuses on the systems and procedures to be activated in the case of early replacement and considers the following: Impregilo's specific business culture; changes in the group, also based on the 2013-2015 business and strategic plan; the current and future ownership and organisation structures; the leadership/skills model; and a balance of enhancing internal management skills (through a structured management assessment procedure) and opening to the market.

Once implemented, the plan will be revised annually.

4.2. COMPOSITION (article 123-bis.2.d) of the Consolidated Finance Act)

COMPOSITION OF THE CURRENT BOARD AND COMMITTEES AT YEAR END

Board of directors	Members	In office since	In office until	List (M/m)	Executive	Non-executive	Independent as per Code	Ind. as per Cons. Finance Act	% BoD	No. of other positions	Risk and control committee		Remuneration and appointment committee		Executive committee		Related party transactions committee	
												%		%		%		%
Chairperson	Claudio Costamagna	17.07.2012	Shareholders' meeting to approve 2014 financial statements	M		X			88.88	6					M (I)	77.77		
CEO	Pietro Salini	17.07.2012	Shareholders' meeting to approve 2014 financial statements	M	X				100	3					P (I)	100		
Director	Marina Brogi	17.07.2012	Shareholders' meeting to approve 2014 financial statements	M		X	X	X	88.88	3			P (I)	100			M (I)	100
Director	Giuseppina Capaldo	11.06.2012	Shareholders' meeting to approve 2014 financial statements	m		X	X	X	76.92	1	M (II)	(III)	M (II)	100			M (IV)	100
Director	Mario Cattaneo	17.07.2012	Shareholders' meeting to approve 2014 financial statements	M		X	X	X	77.77	4	P (I)	100						
Director	Roberto Cera	17.07.2012	Shareholders' meeting to approve 2014 financial statements	M		X			100	4								
Director	Laura Cioli	17.07.2012	Shareholders' meeting to approve 2014	M		X	X	X	100	0					M (I)	100		

			financial statements														
Director	Massimo Ferrari	17.07.2012	Shareholders' meeting to approve 2014 financial statements	M		X			100	0				M (I)	100		
Director	Alberto Giovannini	17.07.2012	Shareholders' meeting to approve 2014 financial statements	M		X	X	X	100	6	M (I)	100				P (I)	100
Director	Pietro Guindani	17.07.2012	Shareholders' meeting to approve 2014 financial statements	M		X	X	X	100	2	M (I)	100					
Director	Claudio Lautizi	17.07.2012	Shareholders' meeting to approve 2014 financial statements	M		X			100	1				M (I)	100		
Director	Geert Linnebank	17.07.2012	Shareholders' meeting to approve 2014 financial statements	M		X	X	X	77.77	1			M (I)	75		M (I)	100
Director	Laudomia Pucci	17.07.2012	Shareholders' meeting to approve 2014 financial statements	M		X	X	X	77.77	3			M (I)	100			
Director	Giorgio Rossi Cairo	17.07.2012	Shareholders' meeting to approve 2014 financial statements	M		X	X	X	66.66	7							
Director	Simon Pietro Salini	17.07.2012	Shareholders' meeting to approve 2014 financial statements	M		X			88.88	3							

DIRECTORS WHO LEFT OFFICE DURING THE YEAR:																	
Chairperson	Massimo Ponzellini	28.04.2011	30.05.2012	SOLE		X			100	3			M	100			
Deputy Chairperson (V)	Giovanni Castellucci	28.04.2011	27.04.2012	SOLE		X			0	4				M (VI)	100		
Deputy Chairperson	Antonio Talarico	28.04.2011	06.06.2012	SOLE		X			83.33	8				M	100		
CEO	Alberto Rubegni	28.04.2011	17.07.2012	SOLE	X				100	0				P	100		
Deputy Chairperson (VII)	Carlo Buora	28.04.2011	06.06.2012	SOLE		X	X	X	66.67	3			P	100		M	33.33
Director	Alfredo Cavanenghi	28.04.2011	11.06.2012	SOLE		X	X	X	100	1	P	100	M	100		P	100
Director	Fabio Cerchiai	28.04.2011	27.04.2012	SOLE		X			0	10							
Director	Nicola Fallica	28.04.2011	14.05.2012	SOLE		X			100	0	M	100					
Director	Beniamino Gavio	28.04.2011	17.07.2012	SOLE		X			100	2				M	100		
Director	Marcello Gavio	28.04.2011	17.07.2012	SOLE		X			100	2				M	100		
Director	Maurizio Maresca	28.04.2011	08.06.2012	SOLE		X	X	X	66.67	1	M	100	M	100		M	66.67
Director	Giuseppe Piaggio	28.04.2011	17.07.2012	SOLE		X			90	6				M	100		
Director	Massimo Pini	28.04.2011	11.06.2012	SOLE		X			83.33	3				M	50		
Director	Alberto Sacchi	28.04.2011	17.07.2012	SOLE		X			100	3			M (II)	100			
Director	Giacomo Valle	28.04.2011	17.07.2012	OFF-LIST APPOINTMENT		X	X	X	60	0			M	50		M	66.67
Chairperson (VIII)	Fabrizio Palenzona	11.06.2012	17.07.2012	Elected as per art. 2386 of the Italian Civil Code		X			100	2				M (II)	100		
Deputy Chairperson (IX)	Gian Maria Gros-Pietro	11.06.2012	17.07.2012	Elected as per art. 2386		X			100	5	M (II)	(III)					

				of the Italian Civil Code														
Director	Nigel W Cooper	14.05.2012	17.07.2012	Elected as per article 2386 of the Italian Civil Code, confirmed by the shareholders on 28 May 2012		X	X	X	83.33	3								
Director	Barbara Poggiali	14.05.2012	17.07.2012	Elected as per article 2386 of the Italian Civil Code, confirmed by the shareholders on 28 May 2012		X	X	X	83.33	2			P (I)	100				
Director	Alfredo Scotti	14.05.2012	17.07.2012	Elected as per article 2386 of the Italian Civil Code, confirmed by the shareholders on 28 May 2012		X	X	X	83.33	3							M (II)	100
Director	Roland Berger	11.06.2012	17.07.2012	Elected as per art. 2386 of the Italian Civil Code		X			75	3					M (II)	100		
Director	Alberto Giussani	11.06.2012	17.07.2012	Elected as per art. 2386 of the Italian Civil Code		X	X	X	75	7	P (II)	(III)					M (II)	100
Director	Caterina Bima	13.06.2012	17.07.2012	Elected as per art. 2386 of the Italian Civil Code		X	X	X	75	2								
Quorum required to present lists at time of last appointment: 2%																		

No. of meetings held during the year:	BoD	ICC: 9	RC: 7	EC: 14	RPTC: 10
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- (I) since 18 July 2012.
- (II) from 13 June 2012 to 17 July 2012.
- (III) no committee meetings were held.
- (IV) since 13 June 2012.
- (V) resigned from his position as deputy chairperson on 20 April 2012.
- (VI) resigned from his position as member of the executive committee on 3 April 2012.
- (VII) Deputy chairperson since 20 April 2012.
- (VIII) Chairperson since 11 June 2012.
- (IX) Deputy chairperson since 9 July 2012.

In their meeting of 17 July 2012, the shareholders elected a new board of directors for three years until the meeting to be held to approve the financial statements at 31 December 2014, electing 14 directors from the majority list presented by the shareholder Salini S.p.A. and the fifteenth member from the minority list presented by the shareholder Igli S.p.A.. Votes in favour of the new board approximated 51.98% of the voting rights for this resolution for the majority list and approximately 47% of the voting rights for this resolution for the minority list, equal to roughly 78.74% of the company's overall voting rights. Giuseppina Capaldo was elected director of the Issuer for the first time on 11 June 2012. The other directors were elected for the first time on 17 July 2012.

KEY

Position: shows whether chairperson, deputy chairperson, CEO, etc.

List: shows M/m depending on whether director has been appointed from the list voted by the majority or minority shareholders (article 144-decies of the Consob Issuer Regulation)

Executive: "x" in this column if director qualifies as executive

Non-executive: "x" in this column if director qualifies as non-executive

Independent: "x" in this column if director qualifies as independent in line with the Code criteria, specifying if these criteria have been integrated or modified at the end of the table

Ind. as per Cons. Finance Act: "x" in this column if director qualifies as independent as per article 148.3 of the Consolidated Finance Act (article 144-decies of the Consob Issuer Regulation)

%: attendance at board or committee meetings as a percentage (when percentage is calculated, number of meetings which director attended compared to total number of meetings held during the year or after the director was elected) is considered

No. of other positions: total number of positions held in other companies listed on regulated markets (also foreign), in financial companies, banks, insurance companies or significant size companies, identified in accordance with Consob criteria. A list of these companies is attached to this report for each director, showing whether the company in which they hold the position is part of the Issuer's group

C/M: Chairperson/member of internal committee

The directors' personal and professional profiles are presented in their curricula vitae posted on the internet site www.impregilo.it in the "Corporate governance - Board of Directors and Committees - Board of Directors" section.

No change in the board of directors or its committees has taken place since year end.

Maximum number of positions held in other companies

- In its meeting of 12 December 2007, the board resolved to adopt a specific rule:

“Whereas for the purposes of this rule, “companies of significant size” are”:

- a. Italian companies listed on Italian or other EU state regulated markets;
- b. banks, financial brokers pursuant to article 107 of Legislative decree no. 385 of 1 September 1993, stock brokerage companies pursuant to article 1.1.e) of the Consolidated Act, variable capital investments companies (OEICs) pursuant to article 1.1.i) of the Consolidated Act, fund management companies pursuant to article 1.1.o) of the Consolidated Act, insurance companies pursuant to article 1.1.s), t) and u) of Legislative decree no. 209 of 7 September 2005 set up as companies as per paragraphs V, VI and VII, section V, chapter V of the Italian Civil Code not listed on Italian or EU state regulated markets;
- c. companies as per paragraphs V, VI and VII, section V, chapter V of the Italian Civil Code that individually or collectively at group level, if they prepare consolidated financial statements, show: i) revenue from goods and services of more than € 500 million; or ii) assets of more than € 800 million, not listed on Italian or other EU state regulated markets.

the maximum number of positions that Impregilo directors may hold is:

Executive directors

The maximum number of positions as director or statutory auditor in other significant size companies cannot exceed four.

Non-executive directors members of the executive committee

The maximum number of positions as director or statutory auditor in other significant size companies cannot exceed six.

Non-executive directors who are not members of the executive committee

The maximum number of positions as director or statutory auditor in other significant size companies cannot exceed eight.

In order to calculate the number of positions:

- positions in companies that are directly and/or indirectly controlled by Impregilo S.p.A., are its parents or are subject to joint control are not considered;
- positions as substitute statutory auditor are not considered;
- positions held in significant size companies belonging to the same group which is not that of the Issuer are considered to have the following “weight”:
 - first position: one
 - second position: one and a half
 - from three up: two.

Should a director be offered new positions that would lead to their exceeding the above ceilings, they shall inform the board promptly of this so that the board can grant waivers (also temporary) to the maximum number of positions set in this rule. The waiver shall be adequately documented. It shall be described in the company’s corporate governance report together with the reasons therefor.”

The current composition of the board complies with the above general criteria.

Induction Programme

In order to provide the directors and statutory auditors with an adequate background to the Issuer's sector, its characteristics and developments as well as the relevant legislative framework, the chairperson ensures that:

- the board of directors and the committees (through their chairpersons) are informed thereof during their meetings;
- directors not part of committees are invited to attend committee meetings when this information is provided;
- the directors have access to the company's intranet portal, where they can find information and documentation about the above topics (including the reports prepared by the supervisory board as per Legislative decree no. 231/01 about the legislative framework and standard practices).

4.3. ROLE OF THE BOARD OF DIRECTORS (article 123-bis.2.d) of the Consolidated Finance Act)

Pursuant to article **24** of the by-laws (available on the internet site www.impregilo.it in the "Corporate Governance - By-laws" section), the board of directors has the widest powers for the company's ordinary and extraordinary management with no exceptions. It has the power to perform all those actions that it deems suitable to carry out the company's activities as per its business object or related activities, except for those actions reserved exclusively for the shareholders by law.

The board of directors may resolve to set up or close branches in Italy or abroad, to decrease share capital if a shareholder withdraws therefrom, to adjust the by-laws to reflect mandatory regulatory requirements, to transfer the legal offices within Italy and to merge other wholly controlled companies or companies, of which at least 90% control is held, into the parent. All of these transactions are to be carried out in accordance with articles 2505 and 2505-bis of the Italian Civil Code.

By law, the directors may not remain in office for more than three years and their term of office expires at the date of the shareholders' meeting held to approve the financial statements of the last year of their term. As not provided for otherwise in the by-laws, the directors may be re-elected.

Pursuant to article **21** of the by-laws, the board of directors elects a chairperson from among its members and (possibly) one or two deputy chairpersons who substitute the chairperson in their absence or impediment.

Article **20** of the by-laws provides that the board of directors has 15 members.

During the year, **19** board meetings were held, with an average duration of roughly two hours and 30 minutes.

The 2013 financial calendar (available on the internet site www.impregilo.it, in the "Corporate Governance - Corporate events" section) shows that **five** meetings are scheduled to take place during the year, the first of which was held on 10 March 2013 and the second today. Four other board meetings have been held in 2013.

On 16 October 2012, the board of directors resolved to set a notice period of three business days, which is generally deemed suitable for the sending of pre-board meeting documentation to the directors and statutory auditors. This notice period was mainly complied with and, moreover, the board has acknowledged that the chairperson, assisted

by the board secretary, has provided the directors with the available documentation and information about the issues to be discussed in adequate time before each meeting. When useful, the documentation was made available together with specific executive summaries to aid the directors' understanding and review of the matters to be discussed. Specifically, the independent directors found that the information provided by the CEO to the board was satisfactory.

The board meetings were usually attended by the secretary and the manager in charge of financial reporting. When appropriate, experts and managers of the Issuer and its group companies also participated, depending on the matters to be discussed, to ensure the proper and profitable working of the meetings and to provide any in-depth information necessary.

The chairperson ensured that the matters on the agenda were each allowed enough time to allow their complete and constructive discussion. The directors expressed their positions and contributed to the meetings.

With respect to criterion 1.C.1.a) of the Code, with which the board has resolved to comply, the board is authorised to examine and approve:

- the strategic, business and financial plans of the Issuer and its group, and to periodically monitor their implementation;
- the Issuer's corporate governance system;
- the structure of the group headed by the Issuer.

- The board of directors found FISIA Italiampianti S.p.A. and Impregilo International Infrastructures N.V. to be "strategic subsidiaries" given their role as subholding of the Engineering & Plant Construction business segment and as subholding of the Concessions business segment, respectively.
- With respect to criterion 1.C.1.c) of the Code, in its meeting of 25 March 2013 and after the risk and control committee's positive assessment, the board found the organisational, administrative and accounting structures of the Issuer, FISIA Italiampianti S.p.A. and Impregilo International Infrastructures N.V. to be adequate, with particular respect to internal controls and risk management; the committee examined the analyses performed by the internal audit unit.
- During its meetings, the board assessed the company's performance, comparing it to the budget objectives and considering information received from the empowered bodies.
- On 30 July 2012, the board of directors resolved to retain responsibility for the following actions and transactions:
 - exercise of voting rights: (i) at extraordinary meetings of the shareholders of the strategic subsidiaries as identified from time to time by the board of directors; and (ii) at ordinary meetings of the shareholders of the strategic subsidiaries called to appoint their directors;

- identification of Impregilo’s strategic subsidiaries;
 - approval of the business plan, budget and industrial plan;
 - the performance of all More important transactions that do not require shareholder approval as per the “Regulations for related party transactions”, approved from time to time;
 - the purchase and sale of investments in companies, consortia or other entities, as well as in businesses or business units.
- With respect to criterion 1.C.1.g) of the Code and as resolved by the board of directors on 12 March 2007 and set out in section 3 of this report, during its meeting of 25 March 2013, the board assessed the size, composition and working of the board itself and its committees, following the review of the remuneration and appointment committee that met on 25 March 2013 and considering the report prepared by the specialist Egon Zehnder International. It considered aspects such as the professional characteristics, experience (including of a management nature) and the gender of its members and their length of term of office. The remuneration and appointment committee prepared the self-assessment process, providing the board of directors with its report thereon, which it examined in the 25 March 2013 meeting. The board of directors carried out its own self assessment during this meeting and noted that:
- the board environment is very proactive, which is fundamental for shared decision-making and enabled the easy integration of the new directors and creation of a united team.
 - Comprehension of the processes and knowledge about the issues have contributed to all the directors’ perception that the board’s working and efficiency have improved steadily (even though they have only been in office for a short though intense period).
 - Assessment of the upper echelon (chairperson and CEO) is positive and it contributes to the company’s efficiency.
 - The directors’ quality, diversity and independence level is visible and good compared to the Italian situation.
 - Discussions of medium to long-term strategies (including the 2013-2015 business and strategic plan and the strategic agreement as per section 17.2) are constructive and expert, enabling the directors to take informed decisions.
 - Information flows and quality are improving and more than sufficient.
- Egon Zehnder International has not provided services in the last three years and does not currently provide services to Impregilo or its subsidiaries.
- With respect to criterion 1.C.4., article **20** of the by-laws provides that, until resolved otherwise by the shareholders, the directors are not bound by the ban of article 2390 of the Italian Civil Code. The board did not identify any issues thereon in its today’s meeting that require reporting to the shareholders, after considering the agreement and implementation of the strategic commercial and organisation collaboration agreement between Impregilo and Salini Costruttori S.p.A., signed on 27 September 2012 (the “Strategic Agreement”) (see section 17).

4.4. EMPOWERED BODIES

Chief executive officers

The board of directors may delegate part of its powers to one or more directors, setting limits and proxy operating methods. It may appoint directors and representatives, who do not necessarily have to be board members, and establishes their powers (article 25 of the by-laws).

On 18 July 2013, the board of directors appointed Pietro Salini as CEO. It gave him the legal power to represent the company and signatory powers with third parties and in court. He also has powers to manage the company and may delegate responsibility for the organisation and running of certain business activities.

During the same meeting, the board of directors set a limit of € 50 million for the CEO for certain transactions:

- the purchase and securities;
- the purchase and sale of investments in companies, consortia or other entities, as well as of businesses or business units;
- agreement of business contracts;
- allocation and cancellation of consultancy engagements and acquisitions of intellectual property rights;
- transactions with banks;
- sureties, liens and guarantees in general.

Further to the powers reserved by law to the board of directors, he also has exclusive authority for any decisions related to:

- exercise of voting rights: (a) at extraordinary meetings of the shareholders of the strategic subsidiaries as identified each time by the board of directors; and (b) at ordinary meetings of the shareholders of the strategic subsidiaries called to appoint their directors;
- identification of Impregilo's strategic subsidiaries;
- approval of the business plan, budget and industrial plan;
- the performance of all More important transactions that do not require shareholder approval as per the "Regulations for related party transactions", approved from time to time;
- the purchase and sale of investments in companies, consortia or other entities, as well as in businesses or business units.

The CEO is in charge of running the company. As provided for by criterion 2.C.5, he does not hold directorships in other Italian listed companies.

Chairperson

The chairperson is the company's legal representative and has signatory powers with third parties and in court pursuant to article 28 of the by-laws. The chairperson does not have special strategic decision-making powers.

The chairperson of the board of directors is not the CEO nor is he the majority shareholder of the Issuer.

Executive committee (article 123-bis.2.d) of the Consolidated Finance Act)

Pursuant to article 25 of the by-laws, the board of directors may delegate all or part of its powers (not reserved to it by law) to an executive committee consisting of a number of members to be less than half that of the board of directors, including the CEO, who acts as chairperson of the executive committee.

The board of directors set up an executive committee, in accordance with article 25 of the by-laws, which currently has five members.

Meetings are called when necessary and a calendar does not exist.

During the year, the committee met **14** times with meetings averaging roughly one hour and forty minutes.

Ten meetings have been held in 2013.

The board of directors delegated all the ordinary and extraordinary administrative powers reserved to it to the executive committee, except for those powers reserved exclusively to it by law and those related to the performance of the following actions and transactions, reserved to the board:

- i. exercise of voting rights: (a) at extraordinary meetings of the shareholders of the strategic subsidiaries as identified each time by the board of directors; and (b) at ordinary meetings of the shareholders of the strategic subsidiaries called to elect their directors;
- ii. identification of Impregilo's strategic subsidiaries;
- iii. approval of the business plan, budget and industrial plan;
- iv. the performance of all More important transactions that do not require shareholder approval as per the "Regulations for related party transactions", described in section 12 of this report, approved from time to time;
- v. the purchase and sale of investments in companies, consortia or other entities, as well as of businesses or business units;

Information to be provided to the board of directors

The board of directors meets at least every three months. The CEO, also as chairperson of the executive committee, reported to the board and the board of statutory auditors on the activities carried out under proxy and key transactions at these meetings and whenever required by the specific circumstances.

4.5. OTHER EXECUTIVE DIRECTORS

- The board of directors currently consists of one executive director (the CEO) and 14 non-executive directors.
As described in section 3 about criterion 2.C.1., the directors making up the executive committee are considered to be non-executive as involvement in the committee, given the subject of the related resolutions, does not entail the systematic participation of its members in the day-to-day management of the

company nor does it lead to remuneration such that would compromise their independence.

4.6. INDEPENDENT DIRECTORS

At the first opportunity after their election (18 July 2012 with publication of its assessments to the market) and during the meeting held to approve the annual draft financial statements, the board of directors assessed that each non-executive director met the independence criteria set by the Code applying each criterion established thereby. The **nine** directors Marina Brogi, Mario Cattaneo, Laura Cioli, Alberto Giovannini, Pietro Guindani, Geert Linnebank, Laudomia Pucci, Giorgio Rossi Cairo and Giuseppina Capaldo meet the independence requirements pursuant to both the Consolidated Finance Act and the Code.

The board of statutory auditors checked the correct application of the criteria and procedures adopted to check independence by the board. The outcome of such process will be communicated by the board of statutory auditors to the market in its report to the shareholders.

As resolved by the board of directors about criterion 3.C.6. of the Code in its meeting of 12 March 2007, the independent directors meet annually before the board meeting held to approve the annual financial statements for self-assessment purposes and so that any remedial action to be taken can be examined with respect to the role played by independent directors within the board. They met on 3 March 2013 and reported to the board on 25 March 2013. The independent directors met once during the year, when the CEO presented the main activities performed by the executive committee and the most important transactions.

When agreeing to their inclusion in the lists of candidate directors, the independent directors have not agreed to maintain their independence throughout their term of office and, if necessary, to resign.

4.7 LEAD INDEPENDENT DIRECTOR

As the requirements of the Code are not met, the board has not deemed it necessary to designate an independent director as lead independent director.

5. TREATMENT OF COMPANY INFORMATION

On 12 December 2007, the board of directors approved a special “Procedure for the internal management and external communication of documents and information” as proposed by the CEO. This procedure substituted the “Internal regulations for disclosing “price sensitive” documents and information to the market” approved by the board of directors on 27 March 2001.

The Procedure includes the guidelines for the internal management and external communication of documents and information, especially privileged information as per article 114.1 of the Consolidated Finance Act (“Privileged information”).

It covers all those parties who, based on their employment or professional activities or duties, have frequent or infrequent access to company information about the Issuer. These parties are obliged to: (i) maintain such confidential information secret; (ii) use such information solely to carry out their employment or professional activities; and (iii) not use such confidential information contrary to the current legislation.

Specifically, the directors and statutory auditors of Impregilo S.p.A. and its subsidiaries are required to maintain information and documents obtained by them during the execution of their duties confidential as well as the contents of any discussions carried out during board meetings and as part of the work of the board of statutory auditors.

In order to ensure a coordinated and standard approach, any contact with the press or other mass media or with financial analysts and institutional investors that involves information (even when not confidential) about the company or its subsidiaries can only take place after authorisation by the chairperson or CEO of Impregilo S.p.A. or the External relations unit of Impregilo S.p.A., in accordance with the Procedure.

The chairperson and CEO of Impregilo S.p.A. are responsible for managing privileged information.

The related administrative bodies are responsible for management of privileged information about the subsidiaries, which may be disclosed in accordance with the Procedure.

Only the chairperson and CEO of Impregilo S.p.A. may divulge privileged information to the market.

The communication of privileged information must respect the criteria of completeness, timeliness, transparency, adequacy and continuity. Investors should be provided with the same information to avoid discontinuity or the creation of situations that could affect the listed share price.

The chairperson is responsible for ensuring compliance with the Procedure, which provides for penalties to be applied to the parties that violate it.

6. BOARD COMMITTEES (article 123-bis.2.d) of the Consolidated Finance Act)

The board of directors has set up a risk and control committee, a remuneration and appointment committee (which carries out the duties assigned by article 5 of the Code to the appointment committee and article 6 to the remuneration committee, as the Code rules for the composition of the two committees are complied with and attainment of the objectives is guaranteed) and a related party transactions committee as described in section 12, together with the executive committee described in section 4.4.

The decision to set up just one committee to combine the appointments and remuneration functions is based on organisational and efficiency requirements as the functions are complementary and comply with the provisions of article 4 of the Code.

The board of directors has not retained functions attributed to one or more of its committees by the Code.

On 30 July 2012, the board of directors set up a *corporate governance advisory board* (see section 17.1).

7. APPOINTMENT COMMITTEE

As noted in section 6 of this report, the board set up a remuneration and appointment committee on 18 July 2012.

Composition and working of the appointment committee (article 123-bis.2.d) of the Consolidated Finance Act)

The remuneration and appointment committee usually meets when the board of directors does or whenever necessary. It is coordinated by its chairperson.

During the year (starting from 18 July 2012), the committee met **four** times with meetings averaging roughly fifty minutes.

Six meetings have been held in 2013.

- The committee was set up on 18 July 2012 and currently has three independent directors as members.
- The chairperson (twice), the CEO (three times) and managers of the Issuer attended committee meetings upon invitation when the committee deemed it was necessary and appropriate for the more effective discussion of the matters on the agenda.
- In its meeting of 18 July 2012, the board of directors resolved to give the remuneration and appointment committee the following duties:
 - a) the presentation to the board of directors of opinions about the board's size and composition as well as recommendations about suitable board members;
 - b) the presentation to the board of directors of candidates when directors need to be co-opted or independent directors replaced.The committee also provides advice about the issues as per criteria 1.C.3 and 1.C.4 of the Code and the procedures for preparation of a succession plan for the executive director pursuant to criterion 5.C.2 of the Code.
- On 12 September 2012, the committee discussed whether the Issuer should engage a specialist to assess management (positions and expertise), including pursuant to the Code.
- Minutes of its meetings are drawn up regularly.
- The committee may access information and internal functions as required to carry out its duties. It may also avail of the services of external consultants. This was not necessary in 2012 with respect to appointments.
- On 12 March 2007, the board of directors resolved to give the committee an annual budget of € 25,000 to cover the costs of any necessary consultancy or other services required to carry out its duties. The prior authorisation of outlays is not necessary although the committee is required to document its expenses. It may also avail of internal information and functions.

8. REMUNERATION COMMITTEE

As noted in section 6 of this report, the board has set up a remuneration and appointment committee.

Composition and working of the remuneration committee (article 123-bis.2.d) of the Consolidated Finance Act)

This committee usually meets when the board does and whenever necessary.

During the year, the committee met **seven** times with meetings averaging roughly fifty minutes.

Six meetings have been held in 2013.

- The remuneration committee (in office until 17 July 2012) comprised non-executive directors, the majority of whom were independent. The committee chairperson was elected from the independent directors. The remuneration and appointment committee set up by the current board of directors solely comprises independent directors.
Given the personal and professional characteristics of its members, the committee has found that its members have suitable financial or remuneration policy knowledge and experience.
- The directors did not attend the committee meetings held to decide on their remuneration to be proposed to the board of directors.
- The chairperson (twice), the CEO (three times) and managers of the Issuer attended committee meetings upon invitation when the committee deemed it was necessary and appropriate for the more effective discussion of the matters on the agenda.
- The committee approved rules for its working which establish that its works are coordinated by the chairperson and that all the members of the board of statutory auditors may always attend its meetings as may the CEO, other directors, managers and external consultants, upon invitation and depending on the matters on the agenda. Moreover, the other directors may always be present at the meetings.
The chairperson of the board of statutory auditors or another statutory auditor designated by him participated in the committee meetings and the other statutory auditors were also able to participate.

Committee duties:

- In line with the resolutions passed by the board of directors on 18 July 2012, the committee has consulting and proposing duties, specifically related to:
 - the presentation to the board of directors of the remuneration report and, specifically, the remuneration policy for the directors and key management

- personnel for presentation to the shareholders in their meeting called to approve the financial statements, within the legal terms;
- regularly assessing the adequacy, overall consistency and actual application of the general policy adopted for the remuneration of the directors and key management personnel; the latter’s conduct is assessed based on the information provided by the CEOs; making the relevant proposals to the board of directors;
 - the presentation to the board of directors of proposals about the remuneration of the executive directors and other directors with special positions, setting performance objectives tied to the variable part of the remuneration; monitoring the decisions taken by the board and ensuring specifically that the performance objectives are met.
- During the year, the committee proposed the board of directors approve the remuneration report as per article 123-ter of the Consolidated Finance Act, approved its regulations, presented proposals to the board of directors about the remuneration of the members of the executive committee, the risk and control committee, the variable part of the CEO (in office until 17 July 2012) and corporate central manager’s remuneration and the compensation policies based on the 2011 results. It proposed the board of directors approve the agreement to terminate the employment relationship with the CEO in office until 17 July 2012 and the general manager.

- Minutes of its meetings are drawn up. When carrying out its duties, the committee had access to internal information and functions, as necessary, and to external consultants.
- On 12 March 2007, the board of directors resolved to give the committee an annual budget of € 25,000 to cover the costs of any necessary consultancy or other services required to carry out its duties. The prior authorisation of outlays is not necessary although the committee is required to document its expenses. It may also avail of internal information and functions.
- The committee checked that its consultants, engaged to provide information about market remuneration policies, were not in situations such to compromise their independent judgement.

9. DIRECTORS’ REMUNERATION

The information in this section is included in the Remuneration report published pursuant to article 123-ter of the Consolidated Finance Act and available on the internet site www.impregilo.it in the “Corporate governance - Shareholders’ meetings” section.

Compensation for directors in the case of their resignation, dismissal, retirement or termination of the relationship following a takeover bid (article 123-bis.1.i) of the Consolidated Finance Act)

The Issuer does not have agreements with its directors for their compensation in the case of their resignation, dismissal, retirement, removal from office without just cause or termination of the relationship following a takeover bid.

10. RISK AND CONTROL COMMITTEE

As noted in section 6 of this report, the board has set up a risk and control committee.

Composition and working of the risk and control committee (article 123-bis.2.d) of the Consolidated Finance Act)

Pursuant to the rules of the risk and control committee, it meets whenever the chairperson deems it necessary and in order to carry out its mandate. It also meets when a committee member, the chairperson of the board of statutory auditors or the internal control supervisor makes a documented request to the chairperson.

During the year, the committee met **nine** times with meetings averaging roughly two hours and fifty minutes.

Five meetings have been held in 2013.

The committee members always include three non-executive directors, the majority of whom are independent with experience in accounting and financial matters deemed adequate by the board when it elects them. The committee is currently composed of three independent directors.

The committee approved rules for its working which establish that its works are coordinated by the chairperson and that the chairperson of the board of statutory auditors or another statutory auditor designated by him participate. All the members of the board of statutory auditors have standing invitations to attend meetings as does the internal audit head. Depending on the matters on the agenda, the CEO, other directors, managers, external consultants and representatives of the independent auditors may also be invited to attend. All the directors may attend meetings.

Except for the first meeting of the committee elected by the current board of directors, held to present the company, the committee meetings have always been attended by the chairperson of the board of statutory auditors or another statutory auditor designated by him (and the other statutory auditors were also free to attend). The internal audit head also participated in all the meetings. Upon invitation and to make its working more efficient, the committee invited the chairperson of Impregilo, the relevant internal functions, the supervisory board, external consultants and the representatives of the independent auditors to attend certain meetings.

Duties

As resolved by the board of directors on 18 July 2012 on criteria 7.C.1 and 7.C.2 of the Code, the committee has the following duties:

- providing the board of directors with opinions on:
 - the guidelines for internal controls and risk management, so that the main risks affecting Impregilo and its subsidiaries are correctly identified, properly measured, managed and monitored, defining the degree of compatibility of these risks with company management and its strategic objectives;
 - assessment at least once a year of the adequacy of the internal controls and risk management considering the company's characteristics and risk profile and their efficiency;
 - approval at least once a year of the audit plan prepared by the internal audit head;
 - review, discussion and approval of the findings of the main audit reports and their implementation;
 - description of the main characteristics of the internal controls and risk management in the corporate governance report, expressing its assessment of their adequacy;
 - assessment of the findings presented by the auditor engaged to carry out the legally-required audit in its management letter (if prepared) and in the audit report;
 - appointment and removal from office of the internal audit head;
 - ensuring that the internal audit head has the necessary resources to carry out his duties;
 - agreement of the remuneration of the internal audit head in line with internal policies;
- assessment with the manager in charge of financial reporting, and after consulting the auditor engaged to carry out the legally-required audit and the board of statutory auditors, of the correct application of the accounting policies, and in the case of a group, their consistency for the preparation of the consolidated financial statements;
- expression of opinions on specific aspects related to the identification of key business risks;
- review of the periodic reports on the internal controls and risk management, especially those prepared by the internal audit unit;
- assessment of the independence, adequacy, effectiveness and efficiency of the internal audit unit;
- it may ask the internal audit unit to carry out checks of specific operating areas and it reports thereon to the chairperson of the board of statutory auditors;
- reporting to the board of directors at least twice a year, during the meetings held to approve the annual and interim reports, on its activities and the adequacy of the internal controls and risk management.
- performance of the other duties assigned to it by the board.

During the year, the risk and control committee assisted the board of directors with its self-assessment; it reviewed and assessed the work plan and reports prepared by the internal control supervisor and the reports drawn up by the

supervisory board as per Legislative decree no. 231/2001. It ascertained the independence, adequacy, effectiveness and efficiency of the internal audit unit. It expressed a favourable opinion on the correct application of the accounting policies and their consistency during preparation of the consolidated financial statements, assisted by the manager in charge of financial reporting and meetings with the independent auditors and the board of statutory auditors, reporting thereon to the board of directors. During approval of the draft annual financial statements and the interim financial report, the committee informed the board of directors about its activities and the adequacy, effectiveness and effective working of the internal controls and risk management system. This opinion was shared by the board of statutory auditors. Moreover, the committee expressed a favourable opinion on the composition and working of the board of directors and its committees, in agreement with the board of statutory auditors. It found the organisational, administrative and general accounting structure of the Issuer and its strategic subsidiaries, Impregilo International Infrastructures N.V., Ecorodovias Infraestrutura e Logística S.A. and FISIA Italimpianti S.p.A. to be adequate. It approved the revisions of the Organisational, management and control model required by article 6 of Legislative decree no. 231/01. It ascertained that the members of the supervisory board met the subjective requirements of the Organisational, management and control model and, therefore, that the entire body met these requirements. On 21 September 2012, after the committee had been reformed following election of the new board of directors by the shareholders on 17 July 2012, it approved its regulation; it examined the draft interim financial report at 30 June 2012 and the draft interim financial report at 30 September 2012. It found in favour of renewal of the current supervisory board as per Legislative decree no. 231/2001. It proposed to the board of directors that it comply with the revisions to the Code of December 2011 and the actions to be taken. It met certain company functions. It approved the proposed remuneration of the internal control supervisor and the internal audit head.

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Minutes of the committee meetings are drawn up.

On 11 May 2011, the board of directors resolved to give the internal control committee an annual budget of € 50,000 to cover the costs of any necessary consultancy or other services required to carry out its duties, which can be increased to € 100,000 with the documented request by the committee chairperson and approval by the board of directors' chairperson. The prior authorisation of outlays is not necessary although the committee is required to document its expenses. It may also avail of internal information and functions.

11. INTERNAL CONTROLS AND RISK MANAGEMENT

On 21 March 2000, the board of directors established the guidelines for the internal control system approving a specific document entitled "Guidelines for internal controls".

During the meeting of 25 March 2009, the board of directors approved a new document setting out the “Guidelines for internal controls of IMPREGILO S.p.A.”, as proposed by the internal control committee in its meeting of 24 March 2009.

The internal controls and risk management system ensures that the key risks that could affect the Issuer and its subsidiaries are correctly identified, adequately measured, managed and monitored and determines criteria for their management in line with the proper management of the business.

As required by the Code, the company’s internal controls and risk management system consists of a set of rules, procedures and organisational structures put in place to ensure business operations in line with the objectives defined by the board of directors, which is able to identify measure, manage and monitor the main risks. The objective is to ensure the safeguarding of the company’s assets, an efficient and effective operating system, reliable financial information and compliance with the laws and regulations as well as the by-laws and internal procedures.

The internal controls and risk management system is based on standards that require that business activities be based on applicable internal and external rules, can be traced and documented, that the allocation and exercise of powers as part of a decision-making process be matched to the positions of responsibility and/or with the size and/or significance of the underlying transactions, that those parties that take or implement decisions, that record transactions and those that are required to perform the controls over such transactions provided for by law and procedures envisaged by the internal controls and risk management system be different parties and that confidentiality and compliance with the privacy legislation be ensured.

The parties that implement the internal controls and risk management system are the board of directors, the CEO as the Director in charge of internal controls and risk management, the risk and control committee, the internal audit head, the manager in charge of financial reporting, the board of statutory auditors, the independent auditors and the supervisory board, each by carrying out their duties and roles.

The company’s internal controls and risk management system consist of the organisational structure, the proxies and delegation system, the Organisational, management and control model, the Impregilo group Code of Ethics, the organisational documents such as the organisational chart, the guidelines, the standard (or interfunctional) procedures, the organisational instructions, the organisational communications, the operating procedures, the manuals and executive instructions.

Key characteristics of the existing risk management system and internal controls over financial reporting, pursuant to article 123-bis.2.b) of the Consolidated Finance Act

I. Introduction

The risk management system and internal controls over financial reporting are both an integral part of a single system (the “System”) and, therefore, must be considered together.

This System’s scope is to ensure the credibility, accuracy, reliability and timeliness of the financial reporting in accordance with the applicable regulations and related best practices.

Impregilo has designed, implemented, monitored and updated its System over time in accordance with guidelines reflecting all international best practices, based on the *ERM (Enterprise Risk Management) framework model*¹, currently held to be the reference point for analyses of internal controls. The model has been revised and adapted to meet the group's requirements and was adopted in 2010. It is the natural continuation of the CoSO Report² used to analyse internal controls in 2008 and 2009.

These guidelines have been specified to comply with the characteristics of Impregilo and its operating units that contribute to financial reporting (both those for the parent and the group). This process of integrating the general model with Impregilo's specific model considered that the group is composed of entities that are separate in legal terms from the parent for the purposes of the financial reporting referred to herein. Specifically, the group is composed of legally separate entities (e.g., Italian and foreign companies) and entities that, although they are not legally separate from the parent under Italian law (e.g., foreign branches, foreign joint ventures), have their own administrative and organisational structures and produce their financial reporting independently due to their industrial characteristics.

Accordingly and based on the logic underlying the reference model, the group defined the criteria to ensure the System's actual application.

These criteria provide for the circulation of the application procedures, the training of the personnel involved in the different stages of the process and a monitoring plan whereby the effective use of the application procedures is checked and any developments and integrations necessary due to the wide-ranging operating scope in which the group works are identified.

II Description of the key characteristics of the existing risk management system and internal controls over financial reporting

II.1 The System's main stages

Impregilo's System comprises the following main stages:

1. *Identification of financial reporting risks*: completion of this stage firstly entailed the analysis of all the more important internal processes in terms of their potential impact on the company's financial reporting and, secondly, identification of the specific processes that are significant for the group as a whole due to the specific nature of the different business segments in which the group companies operate, even though they may not be applicable to the parent.

¹ The ERM Framework (consisting of eight elements) allows the assessment of the adequacy of the internal controls using five revised components, with the assistance of independent experts, considering the business characteristics: *Risk governance; Risk assessment; Risk quantification and aggregation; Risk monitoring and reporting and Risk and control optimisation.*

² The CoSO Report is prepared by the Committee of Sponsoring Organisations (CoSO) of the National Commission on Fraudulent Financial Reporting USA, which has been used by different national (Banca d'Italia, ISVAP) and international (PCAOB, SEC, the Basel Committee) authorities as a framework given its success and authority. It is also a benchmark for professional associations such as ANDAF and AIIA in Italy. The reference model proposed by the Report enables the assessment of the adequacy of internal controls using three tools (Purposes, Components and Environment), for each of which the relevant aspects for the specific applications are selected.

The analysis considered the criteria to identify risks of non-attainment of control objectives (“financial statements assertions”: existence and occurrence, completeness, measurement and recognition, presentation and disclosure, rights and obligations) for each financial statements item (separate and consolidated). The possible risks of error and fraud that could potentially impact financial reporting were also considered.

2. *Measurement of financial reporting risks*: measurement of the intrinsic risk (risk measured regardless of the related controls) for each financial statements item entailed the analysis of: (i) the significance of the above financial statements objectives for each item, (ii) the importance of each individual item in its category (e.g., assets or liabilities, revenue, operating expense, financial income and expense and income taxes) in order to identify their significance; and (iii) the materiality of the item compared to the pre-tax profit and equity.
3. *Identification of controls for the identified risks*: the intrinsic risk associated with each financial statements item as identified above was subsequently analysed considering the existing control environment of each group company. Specifically, based on the analysis of the process generating the financial statements item, the collective or individual controls envisaged by the process to ensure compliance with the related financial statements objectives (“financial statements assertions”) were identified. These controls, which mitigate the intrinsic risk, determine the residual risk for each financial statements item.
4. *Assessment of controls for the identified risks*: a specific monitoring process was carried out regularly to assess the effectiveness of the control’s mitigating actions and the actual working of the control as part of the analysed process.

The company was assisted by independent experts during the risk assessment stage and the assessment of the effectiveness of the control designs as part of the development and preliminary implementation of the System. This stage was facilitated by the group’s existing control environment which already worked efficiently.

Once this stage had been completed, a Compliancy control unit was set up headed by the manager in charge of financial reporting (see section 11.5 of this report). The unit’s duties include the periodic checking of the System’s effectiveness. It prepares documentation supporting its activities every six months and a report to be used by the manager in charge of financial reporting, who assesses its content and findings and then reports to the relevant internal bodies.

When issues arise or processes are identified that could be improved as a result of the above monitoring, they are described in the supporting documentation and a remedial plan is prepared. This plan is suitably illustrated in the report and monitored until the set objectives are achieved.

II.2 Roles and units involved

In order to ensure the appropriate definition, implementation and ongoing maintenance of the System, the group firstly set up an inter-departmental team that, assisted by

independent experts, mapped the existing processes and controls, analysed the risk factors, defined the guidelines to be implemented to ensure the effectiveness of the system and an intensive training programme for personnel involved in financial reporting.

The team mainly consisted of administration and organisational staff and its work was completed with the set up of the Compliancy control unit at the company headed by the manager in charge of financial reporting. This unit's main duty is to monitor the system by checking the effective application of the controls required by the reference processes or, if requested, any alternative controls compared to the system's standards.

Its checks are carried out every six months and are planned so as to involve the most significant operating units. Evaluation of the significance of an operating unit for the purposes of the controls considers its business volumes as a percentage of those of the parent and the group and any specific factors that, although not material in quantitative terms, are important with respect to their measurement or that are deemed worthy of analysis. When the unit's analysis identifies elements to be developed as part of the controls or the processes in which the controls are included, the relevant units for the requested developments are identified and the system is updated with their assistance.

This risk management and control system, as described above for financial reporting purposes, is also backed up by a general risk identification and measurement procedure performed by the internal audit unit once a year using an ERM (Enterprise Risk Management) standard. The unit reviews the System of the company and those subsidiaries identified by the board of directors in its meeting of 13 July 2007 as being strategic.

Applying criteria and methods of the ERM methodology, Impregilo also assesses the key risks once a year, by firstly identifying the key processes and then the underlying risks to then assess the effectiveness of the controls in place to mitigate such risks, together with the individual process heads.

Finally, as part of the annual audit plan approved by the risk and control committee, the internal audit unit checks compliance of the processes with the System's rules, considering the results of the risk assessment procedure and monitoring development of the programmes implementing improvements identified (and agreed) to the controls.

After approving the business and strategic plan, which sets out the new management team's strategic objectives, on 6 December 2012, the board of directors commenced a procedure to define the nature and level of risk compatible with these objectives. It was assisted by the risk and control committee.

During the meeting to approve the annual financial statements, the risk and control committee expressed its favourable opinion of the adequacy, efficiency and effective working of the internal controls and risk management system to the board of directors following its review of the reports drawn up by the internal audit head and the supervisory board and based on interviews with them and the assistance provided by the manager in charge of financial reporting and the independent auditors.

The board of directors agreed with and adopted this positive assessment.

The board of statutory auditors also agreed with this positive assessment.

11.1. DIRECTOR IN CHARGE OF INTERNAL CONTROLS AND RISK MANAGEMENT

As described in section 3 of this report, the board of directors appointed the CEO as “Executive director in charge of internal controls”, assisted by the internal control committee on 12 March 2007. The board of directors elected by the shareholders on 17 July 2012 confirmed the CEO as the “Director in charge of internal controls and risk management” with all the powers and duties envisaged therefor by article 7 of the Code.

Together with the internal audit head, this director:

- supervises identification of the key business risks (strategic, operating, financial and compliance), considering the activities carried out by the Issuer and its subsidiaries, and presents them regularly to the board;
- implements the guidelines established by the board of directors and manages the previously designed and created internal controls and risk management system, checking its overall adequacy, and effectiveness on an ongoing basis, assisted by the internal audit head;
- adapts the System to reflect operating conditions and the legislative and regulatory framework, again assisted by the internal audit head;
- requests the internal audit unit to perform checks of specific operating areas and the compliance with internal rules and procedures during business activities (when necessary); he informs the chairperson, the chairperson of the risk and control committee and the chairperson of the board of statutory auditors thereon;
- reports to the board of directors promptly about the checks requested of the internal audit unit.

11.2. INTERNAL AUDIT HEAD

The board of directors approved the proposal made by the internal control committee and appointed Raffaele Manente as internal control supervisor on 12 September 2000. Mr. Manente is the internal audit head.

This employee reports to the chairperson of the board of directors alone. He heads a unit of persons with different levels of experience and may also avail of external experts. The internal audit head is completely autonomous in terms of his actions and in operating and control terms.

On 12 December 2007, the board of directors set the internal control supervisor’s remuneration, in line with company policies, proposed by the CEO, as Executive director in charge of internal controls and after consulting the internal control committee. On 25 September 2012, the board of directors again resolved on the internal audit head’s remuneration with the favourable opinion of the risk and control committee and after consulting the board of statutory auditors.

The internal audit head is not in charge of any operating functions and does not report to any of the operating managers.

The internal audit head checks on an ongoing basis, and when necessary as required for compliance with international standards, that the internal controls and risk management system is operational and adequate. He performs this check using an audit plan, approved by the board of directors, based on a structured procedure to analyse and prioritise the key risks.

The internal audit head had direct access to all information useful to carry out his duties, he prepared regular reports providing suitable information about his activities and the methods used to manage risk and compliance with risk containment plans. He also assessed the suitability of the internal controls and risk management system. The internal audit head provided timely reports upon the request of the Director in charge of internal controls and risk management and delivered them to the chairpersons of the board of statutory auditors, the risk and control committee and the board of directors as well as to the Director in charge of internal controls and risk management. He checked the reliability of the IT systems, including the accounting system, as part of his audit plan.

The internal audit head is financially independent with his own budget approved each year by the board of directors after consulting the risk and control committee. The budget was € 555,000 for 2012.

During the year, the internal audit head carried out procedures to assist the supervisory board, and also analysed, reviewed and updated the business risks as well as checking the internal controls' adequacy, effective and efficient working on an ongoing basis. During the year, the internal audit unit continued its activities to identify areas which required attention to decrease risk. It performed 28 audits and drew up the 2012-2014 audit plan.

On 26 August 2011, with the favourable opinion of the board of statutory auditors, the board of directors approved the internal audit unit's mandate, which formally defines its objectives, powers and responsibilities and is a continuation of the activities performed until then, its role and position within the group organisation.

11.3. ORGANISATION MODEL pursuant to Legislative decree no. 231/2001

On 29 January 2003, Impregilo adopted the "Organisational, management and control model" required by article 6 of Legislative decree no. 231/01, based on the Confindustria guidelines, approved on 7 March 2002.

Following the legislative changes made after adoption of the first model, the board of directors revised the model on 30 March 2005 reflecting the update to the Confindustria guidelines of 18 May 2004, the code of conduct and the model drawn up by the National Association of Building Constructors (ANCE), approved on 31 March 2003 and subsequently revised on 1 September 2004.

On 12 September 2006, 21 July 2008, 25 March 2009, 28 August 2009, 25 March 2010, 26 August 2011, 26 March 2012 and 16 October 2012, following the extension of the crimes covered, the internal reorganisations that had taken place in the meantime, the revision of the “Activities at risk” and in accordance with best practices, the board of directors approved the new “Organisational, management and control model” (the general section of which is available on the internet site www.impregilo.it, in the “Corporate Governance - Other corporate governance documents” section) and related updates.

In order to comply with the specific provisions of Legislative decree no. 231/01 and considering the analysis of the company’s situation and activities potentially at risk, the crimes committed when dealing with the public administration, forgery of coins, public credit notes and duty stamps, corporate crimes, terrorist acts or subversion of democratic order, crimes against the individual, market abuse and international crimes, handling of stolen goods, laundering and use money, assets or other illegally gained goods, crimes against safety in the workplace, cybercrimes and the unlawful processing of data, organised crime, induction to not make statements or to make false statements to the judicial authorities, counterfeiting, crimes against industry and trade, copyright crimes and environmental crimes are considered as relevant and are, therefore, specifically covered by the model.

On 12 September 2006, the board of directors set the number of members of the supervisory board as per article 6 of Legislative decree no. 231/2001 as three, in line with that required by the new Organisational, management and control model and appointed them, consisting of the internal control supervisor (internal employee) and two external persons. Previously, the board had been monocratic (internal control supervisor). These appointments were confirmed by the board of directors on 28 August 2012 for three years and, therefore, until its approval of the interim financial report at 30 June 2015. As required by the model, the supervisory board’s chairperson is a member who is not an employee of the Issuer. The supervisory board’s members have specific expertise in inspections, analyses of control systems and legal issues (in particular, criminal proceedings) so that they can properly carry out their duties. The board of directors deemed it appropriate not to give the board of statutory auditors the supervisory board functions.

The only Italian subsidiary of strategic importance, FISIA Italimpianti S.p.A., adopted its own “Organisational, management and control model” on 5 March 2004 and last updated it on 28 June 2012.

The group’s Code of Ethics forms part of the Model (available on the internet site www.impregilo.it, in the “Corporate Governance - Code of Ethics” section). The present version was approved by the Issuer’s board of directors on 25 March 2010.

11.4. INDEPENDENT AUDITORS

Impregilo and its main subsidiaries have engaged independent auditors to perform the legally-required audit of their financial statements and to check that their accounting records are kept correctly as required by Legislative decree no. 58 of 24 February 1998. Their interim financial reports are reviewed.

The independent auditors perform an audit of Impregilo, in accordance with the applicable legislation.

As part of the general audit plan for the group, the subsidiaries that do not exceed the thresholds set by Consob have nonetheless engaged the independent auditors on a voluntary basis.

The shareholders resolved to engage PricewaterhouseCoopers S.p.A. to audit the company's financial statements for the period from 2006 to 2011 in their meeting of 3 May 2006. On 3 May 2007, they extended the independent auditors' engagement for the period from 2012 to 2014, pursuant to article 8.7 of Legislative decree no. 303 of 29 December 2006.

11.5. MANAGER IN CHARGE OF FINANCIAL REPORTING AND OTHER ROLES AND FUNCTIONS

On 27 June 2007, the shareholders approved article **26** to be included in the by-laws. This new article regulates the appointment and removal from office of the manager in charge of financial reporting, his term of office, related fee and relevant professional characteristics.

Article **26** requires that the board appoint, and remove from office, after consulting the board of statutory auditors, a manager to be in charge of financial reporting, setting his term of office and fee. The candidates shall have at least three years' experience in: (a) administration and finance or administration and control or management duties with responsibility for financial, accounting and control matters, with companies that have a share capital of at least € 2 million or consortia of companies with a total share capital of not less than € 2 million; or (b) legal, economic or financial aspects closely related to the company's activities; or (c) management at a state body or public administration office active in the credit, financial or insurance sectors or in sectors closely related to that of the company.

Aspects and sectors closely related to the company's activities are those set out in the last paragraph of article 29 (which states: "Pursuant to article 1.2.b) and c) and paragraph 3 of Ministerial decree no. 162 of 30 March 2000, aspects and sectors closely related to those of the company are those aspects (legal, economic, financial and technical-scientific) and business sectors tied to or related to the company's activities and part of its business object").

The board of directors carried out a careful analysis to identify the most suitable person from within the company, considering the personal and professional characteristics that this position requires. In accordance with the guidelines of the first professional interpretations of the law and based on its analysis, the board found Rosario Fiumara, the then corporate central manager and currently working for Impregilo as a consultant, to be the most suitable candidate. Therefore, as proposed by the CEO, it appointed him as the manager in charge of financial reporting on 11 September 2007 in accordance with article 154-*bis* of Legislative decree no. 58 of 24 February 1998.

During the same meeting, the board established that Rosario Fiumara's position as manager in charge of financial reporting would have an open term, until otherwise determined by it. It set the fee for the position, as proposed by the remuneration committee, which met on the same date. The board also gave Mr. Fiumara all the powers and authority required to effectively carry out his functions and duties in his new position within the budget limits approved from time to time and which were provisionally fixed at € 50,000.00. Such powers include:

- direct access to all information required to produce accounting data;

- unlimited use of internal communication channels which ensure the correct intragroup exchange of information;
- a free hand in organising his unit in terms of both human and technical resources (materials, IT and any other items);
- creation and adoption of administrative and accounting procedures independently, also by availing of the assistance of other company functions when necessary;
- assessment and modification of internal administrative and accounting procedures;
- participation at meetings of the board and executive committee, especially those which discuss issues related to his function and for which he is responsible;
- engaging external consultants, when necessary for specific issues;
- interacting with employees with control duties and exchanging information to ensure the ongoing mapping of risks and processes and the proper monitoring of the correct working of administrative and accounting procedures.

Rosario Fiumara accepted the position as manager in charge of financial reporting on the same date. On 30 July 2012, the board of directors confirmed his position and the relevant resolutions taken by it on 11 September 2007.

Section 11.2 describes the roles, appointment criteria, powers and tools of the internal audit head, who has specific responsibilities for internal controls and risk management.

11.6. COOPERATION BETWEEN PARTIES INVOLVED IN INTERNAL CONTROLS AND RISK MANAGEMENT

In order to maximise the efficiency of the internal controls and risk management system and reduce duplication of activities, Impregilo has provided that:

- the board of directors acts as a guide and assesses the System's adequacy using the information provided directly by the Director in charge of internal controls and risk management, the risk and control committee, the board of statutory auditors, as the internal control and audit committee, and the manager in charge of financial reporting;
- the internal audit head and the supervisory board as per Legislative decree no. 231/01 report on their activities to the risk and control committee so that it, in turn, can report to the board of directors;
- the internal audit head and the board of statutory auditors participate in the risk and control committee meetings;
- the internal audit head sends his reports (both periodic and on special issues as requested by the Director in charge of the internal controls and risk management) to this Director, the chairpersons of the board of statutory auditors, the risk and control committee and the board of directors.

12. DIRECTORS' INTERESTS AND RELATED PARTY TRANSACTIONS

On 30 November 2010, the board of directors approved a specific new procedure for related party transactions, the “Procedure”, (which replaced the previous procedure approved by it on 7 July 2005), after receiving the favourable opinion of the related party transactions committee, pursuant to article 2391-*bis* of the Italian Civil Code and article 4.1/3 of the Consob regulation which sets out instructions for related party transactions adopted with resolution no. 17221 of 12 March 2010 and subsequently amended with resolution no. 17389 of 23 June 2010 (the “Regulation”). On 29 November 2010, the board of statutory auditors assessed the new procedure’s compliance with the criteria set out in the Regulation.

The board of directors amended the Procedure on 20 April and 9 July 2012 after consulting the related party transactions committee. On the same dates, the board of statutory auditors confirmed the new procedure’s compliance with the criteria set out in the Regulation.

The board of directors elected by the shareholders of 17 July 2012 commenced a procedure to assess whether changes needed to be made to the Procedure assisted by the related party transactions committee and the corporate governance advisory board. This procedure is still ongoing.

The Procedure (available on the internet site www.impregilo.it, in the “Corporate Governance - Related party transactions” section) sets out the rules, methods and criteria aimed at ensuring the transparency and substantial and procedural correctness of related party transactions carried out by the Issuer either directly or via its subsidiaries.

The board of directors set up a related party transactions committee, consisting of four independent directors, to carry out the duties and functions as per the Regulation. This committee elected a chairperson, Alberto Giovannini, and his deputy, Giuseppina Capaldo, to be acting chair should the chairperson be absent or in their impediment.

As described in section 3 of this report, on 12 March 2007, the directors resolved that, subject to the provisions of article 2391 of the Italian Civil Code, directors with interests, either directly or on behalf of third parties, in a corporate transaction to be approved by the board of directors or executive committee may participate in the related discussions and vote thereon as such participation represents a reason for taking a responsible decision about a transaction about which the director may have greater knowledge than the other directors; that, however, the board of directors or executive committee may ask such directors to leave the meeting during the discussion on a case-by-case basis.

13. APPOINTMENT OF STATUTORY AUDITORS

Article **29**) of the Issuer’s by-laws requires that “*the shareholders elect a board of statutory auditors, consisting of three standing and two substitute statutory auditors. The statutory auditors shall have the characteristics required by law, the by-laws and any other relevant regulations*

Appointment of the board of statutory auditors takes place using lists presented by the shareholders using the methods and within the timeframe set out below in accordance with the pro tempore legislation about gender equality. The candidates are listed in

consecutive order in each list. Lists have two sections: one for the candidate standing statutory auditors and one for the candidate substitute statutory auditors. They shall include at least one candidate for each position and may comprise up to a maximum of three candidates for the standing statutory auditor position and up to two for the substitute statutory auditor position.

Lists presented by the shareholders are deposited at the company's registered office to be available for public consultation as indicated in the notice calling the shareholders' meeting. They are deposited at least twenty-five days before the date of first call of the meeting, unless other mandatory directives are given by legislative and regulatory instructions.

Lists with a total number of candidates equal or more than three shall include candidates of both genders so that at least one fifth (for the first mandate after 12 August 2012) and subsequently one third (rounded up) of the candidates for standing statutory auditors and at least one fifth

(for the first mandate after 12 August 2012) and subsequently one third (rounded up) of the candidates for the substitute statutory auditor belong to the less represented gender on the list.

Shareholders, shareholders forming part of significant shareholder agreements as per article 122 of Legislative decree no. 58 of 24 February 1998, the parent, subsidiaries and jointly controlled entities as per article 93 of the same decree may not present, or be involved in presenting (also via trustees or nominees), more than one list. Nor can they vote (also via trustees or nominees) for more than one list. Moreover, each candidate may only be present in one list in order to be eligible. Inclusion in more than one list or votes for more than one list are not counted.

Only those shareholders that, either individually or together with other shareholders, own shares making up the percentage of share capital required for presentation of lists for candidate directors, may present lists (see section 4.1 of this report).

Together with each list, and within the timeframe described earlier, the shareholders deposit: (i) information about the shareholders presenting the list; (ii) statements whereby each candidate accepts their candidature and states, under their own responsibility, the inexistence of any reasons for ineligibility or incompatibility and the existence of the requirements for the relevant offices, including compliance with the ceiling for the number of positions that can be held under the current law and regulations; (iii) a professional and personal profile of each candidate; and (iv) any other information that is requested by the applicable law or regulations given in the notice calling the shareholders' meeting.

In addition, the relevant certificate issued by a legally-authorized broker, showing ownership to the number of shares necessary to present lists at the date of depositing the list with the company within the deadline set by the relevant laws for the publication of lists, is also to be deposited.

Lists which are presented that do not meet the above requirements are considered not to have been presented.

Candidates that are ineligible or incompatible or who do not have the requirements established by the relevant legislation or who hold more positions than is allowed by the current laws and regulations cannot be included in the lists.

The statutory auditors are elected as follows:

1. two standing statutory auditors and one substitute statutory auditor are taken from the list that got the most number of votes in the shareholders' meeting, taken from the list

in consecutive order

in which they are included in the list sections;

2. the other standing auditor and other substitute auditor are taken from the list that received the second largest number of votes and that was presented and voted by shareholders that are not related directly or indirectly to the shareholders as per article 148.2 of Legislative decree no. 58 of 24 February 1998. They are taken in consecutive order from the list sections ("Minority list"). If two lists receive the same amount of votes, that presented by the majority shareholders is considered or, subordinately, that presented by the larger number of shareholders.

When the above method does not ensure the composition of the board of statutory auditors in accordance with the pro tempore legislation about gender equality, the elected candidates are substituted accordingly using the list that obtained the most votes and the consecutive order in which the candidates were listed.

When the list system is not used, shareholders elect statutory auditors by majority vote, without prejudice to the pro tempore about gender equality.

The chairperson of the board of statutory auditors is the first candidate on the Minority list.

Statutory auditors fall from office in the cases provided for by the relevant legislation or whenever the by-law requirements for their appointment are no longer met.

When one of the standing statutory auditors needs to be replaced, the substitute statutory auditor from the same list is co-opted. If both the standing and substitute statutory auditors from the Minority list leave their positions, the candidate in the next place on the same list is co-opted or the first candidate on the minority list that received the second largest number of votes.

Without prejudice to the replacement procedure as per the above paragraph, the composition of the board of statutory auditors shall comply with the pro tempore legislation about gender equality.

Shareholders appoint or replace statutory auditors in meetings called in accordance with article 2401.1 of the Italian Civil Code complying with the requirement to ensure minority shareholder representation and the pro tempore legislation about gender equality.

Outgoing statutory auditors may be re-elected.

As required by article 1.2.b) and c) and paragraph 3 of Ministerial decree no. 162 of 30 March 2000, aspects and sectors closely related to the company's activities are those aspects (legal, economic, financial and technical-scientific) and business sectors tied to or related to the company's activities and part of its business object."

14. COMPOSITION AND WORKING OF THE BOARD OF STATUTORY AUDITORS (article 123-bis.2.d) of the Consolidated Finance Act)

At year end, the Issuer's board of statutory auditors comprised the following members. Details are also given of their appointment, participation at meetings and other positions held as director or statutory auditor in other companies listed on Italian regulated markets.

Position	Members	In office since	In office until	List (M/m)	Independent as per Code	% participation	No. of other positions
Chairperson (I)	Alessandro Trotter	28.4.2011	Shareholders' meeting to approve financial statements 2013	SOLE	X	91.66	9
Statutory auditor (I)	Fabrizio Gatti	13.7.2012	Shareholders' meeting to approve financial statements 2013	SOLE	X	100	5
Statutory auditor	Nicola Miglietta	28.4.2011	Shareholders' meeting to approve financial statements 2013	SOLE	X	91.66	15
STATUTORY AUDITORS WHO LEFT OFFICE DURING THE YEAR:							
Chairperson	Giuseppe Levi	28.4.2011	13 July 2012	OFF-LIST CANDIDATE	X	100	13
Substitute statutory auditor	Michela Zeme	28.4.2011	19 November 2012	SOLE			22
Quorum required to present lists at time of last appointment: 2%							
No. of meetings held during the year: 12							

(I) Following the resignation of the chairperson of the board of statutory auditors, Giuseppe Levi, on 13 July 2012, Alessandro Trotter took over as chairperson and Fabrizio Gatti, then substitute statutory auditor, became a statutory auditor.

In their meeting of 28 April 2011, the shareholders appointed a new board of statutory auditors electing all the candidates on the sole list presented by the shareholder Igli S.p.A. and another nomination (for the then chairperson) presented during the meeting by the shareholder Mr. Valle. Votes in favour of the new board of statutory auditors approximated 94.09% of the voting rights for this resolution, equal to approximately 42.21% of the company's overall voting rights.

The statutory auditors' personal and professional profiles are presented in their curricula vitae posted on the internet site www.impregilo.it in the "Corporate governance - Board of statutory auditors" section.

No change in the board of statutory auditors' composition has taken place since year end.

The board of statutory auditors met **12** times during the year, with meetings averaging one hour and thirty minutes.

Meetings are called when necessary and a calendar does not exist.

Two meetings have been held in 2013.

On 6 June 2011, following the appointment of the new statutory auditors by the shareholders on 28 April 2011, the board of statutory auditors found that all the statutory auditors complied with the independence requirements of the Code. On 25 March 2013, it confirmed they had continued to meet such requirements throughout 2012 applying all the criteria envisaged by the Code.

- Impregilo complies with the guidelines of criterion 8.C.3 of the Code, whereby statutory auditors that either directly or on behalf of third parties have an interest in a specific transaction shall inform the other statutory auditors and the chairperson of the board of directors promptly and completely about the nature, scope, origin and terms of their interest.
- In the meetings held during the year, the statutory auditors met the independent auditors who described the scope of their engagement, their responsibilities and independence (in writing) as well as the procedures carried out for Impregilo and the group companies that have engaged them.
- As part of its duties, the board of statutory auditors worked with the internal audit unit and the risk and control committee. It took part in meetings of the latter committee with the internal audit head. The internal audit head also participated in several board of statutory auditors' meetings when it reviewed the supervisor's work.

15. INVESTOR RELATIONS

The company believes that it is in its interests and also that it has a duty to the market to have an ongoing dialogue with its shareholders and institutional investors based on a common understanding of their roles. Such dialogue takes place within the boundaries established for confidential information to ensure that investors and potential investors receive information upon which they can base their investment decisions.

Therefore, it set up the current Investor Relations unit in July 2001 headed by the Investor Relator (presently Lawrence Young Kay) whose specific duties include managing relations with investors. This person has an e-mail address specifically for receiving communications and requests from shareholders (investor.relations@impregilo.it). The company's internet site (www.impregilo.it) has a section for relations with investors ("Investor Relations") where all the financial information can be found as well as up-to-date documents of interest to the shareholders, in order that they may exercise their rights in an informed manner.

Impregilo posts information of interest to its shareholders on its internet site www.impregilo.it.

16. SHAREHOLDERS' MEETINGS (article 123-bis.2.c) of the Consolidated Finance Act)

The document “Methods for participating at meetings by shareholders and the exercise of voting rights” is posted on the company’s internet site www.impregilo.it (in the “Corporate Governance - Shareholders’ meetings” section).

Article **12)** of the by-laws establishes that meetings can take place in Italy and not necessarily at the registered office. Ordinary meetings are called every year within one hundred and twenty days of the reporting date and, at the very latest, within one hundred and eighty days if the legal conditions for doing so are met. Ordinary and extraordinary meetings are also called whenever the board of directors deems it suitable and when provided for by law. Pursuant to article **14)** of the by-laws, shareholders with the right to intervene at meetings may appoint a representative with a written proxy in accordance with the law. The meeting chairperson checks the correctness of the proxies and the participants’ right to intervene at meetings. Article **15)** of the by-laws establishes that both ordinary and extraordinary meetings should be constituted and resolve in accordance with the law. Sections 4 and 13 of this report set out the conditions for electing directors and statutory auditors. Article **16)** of the by-laws states that the documentation issued for participation at the meeting held on first call is also valid for other calls and that meetings are to be called by inclusion of an advertisement setting out the information required by the current regulations within the legally-required timeframe:

- on the company’s internet site;
- when necessary due to a compulsory order or as decided by the directors, in the Italian Official Journal or in the newspaper Il Corriere della Sera;
- the other methods provided for by the ruling pro tempore regulations

Shareholders may inform the company of their proxies by sending the document to the e-mail address indicated in the notice. The by-laws do not require that the shares, for which the communication pursuant to article 2370.2 of the Italian Civil Code is required, remain unavailable until the meeting has been held, nor do they allow voting by post or on-screen or video link-up. With respect to the meeting held on 27 April, 28 May and 12/17 July 2012, pursuant to article 135-undecies of the Consolidated Finance Act, the company appointed a Designated representative to which the shareholders may give proxies with voting instructions for all or some of the matters on the agenda. Pursuant to articles **17)**, **18)** and **19)** of the by-laws, the meeting is chaired by the chairperson of the board of directors, or in their absence, by one of the deputy chairpersons. this is not possible, the meeting appoints a chairperson from among the directors or shareholders present. The meeting chairperson has full powers for the checking of shareholders’ rights to participate, the correctness of the proxies, that the meeting is regularly constituted and sufficiently attended to take resolutions, the management and chairing of discussions and to establish voting methods. The meeting appoints a secretary who does not have to be a shareholder and, if necessary, two tellers from the shareholders and statutory auditors. Resolutions are documented in the minutes which are written into the minutes book, signed by the chairperson, secretary and the tellers, if appointed. When the minutes are written by a notary, they are subsequently copied into the minutes book.

The Issuer's by-laws do not provide that the meetings have to approve specific actions taken by the directors. As described in section 4.3 of this report, the by-laws give the board of directors the power to approve the set up or closing of branches in Italy or abroad, the reduction of share capital when shareholders withdraw, the amendment of the by-laws to comply with mandatory legal requirements, the transfer of the registered office within Italy, mergers of subsidiaries which are wholly-owned or of which the Issuer holds at least 90% of their share capital as long as these transactions comply with articles 2505 and 2505-*bis* of the Italian Civil Code.

During the year, the shareholder Salini S.p.A. requested that a shareholders' meeting be called on 12 and 17 July 2012 with the following agenda: (i) removal of the directors in office; (ii) election of a board of directors, after determining their term of office; (iii) election of the chairperson of the board of directors; (iv) determination of the fee due to the board of directors, informing the market with the report prepared by the shareholder pursuant to article 125-ter of the Consolidated Finance Act within the terms provided by the applicable regulations.

In their ordinary meeting of 8 May 2001, the shareholders approved the "Rules for shareholders' meetings" (available on the internet site www.impregilo.it, in the "Corporate Governance - Shareholders' meeting" section), drawn up using the format proposed by Assonime. Their scope is to ensure the orderly carrying out of meetings with respect to each shareholder's fundamental right to request clarifications about matters on the agenda, to express its opinion and make proposals.

These rules set out the methods used to ensure each shareholder's right to take part in discussions about the matters on the agenda.

Nine directors took part in the shareholders' meeting held on 27 April 2012, ten attended the meeting of 28 May 2012 and 13 attended the meetings of 12 and 17 July 2012. The board of directors reported to the shareholders about the activities both carried out and planned for the future in the meetings. It took the necessary steps to ensure that the shareholders receive adequate information about the matters in order to be able to make informed decisions. None of the shareholders asked the chairperson of the remuneration committee to report on how the committee works.

In accordance with current by-laws requirements, changes in the Issuer's market capitalisation during the year did not impair the exercise of actions or privileges designed to protect the minority shareholders.

17. ADDITIONAL CORPORATE GOVERNANCE PRACTICES (article 123-*bis*.2.a) of the Consolidated Finance Act)

17.1. THE CORPORATE GOVERNANCE ADVISORY BOARD

On 30 July 2012, the board of directors set up the corporate governance advisory board (the “board”) which is responsible for analysing the existing corporate governance structure and subsequently to propose any changes to be made to the board of directors. The board provides proposals and opinions to the board of directors and each committee, assisted by independent experts, so that the corporate governance rules are in line with best practices, especially the by-laws and internal regulations and procedures, starting with the Related party transactions procedure, the management of any conflicts of interest and protection of minorities.

The board members are Francesco Carbonetti (as coordinator) and the directors Marina Brogi, Giuseppina Capaldo and Massimo Tezzon.

During the year, the board prepared reports for the board of directors on: (i) the methods to negotiate and define the strategic commercial and organisational collaboration agreement between Impregilo S.p.A. and Salisuni Costruttori S.p.A. of 27 September 2012 (see section 17.2), (ii) the attestation that the procedure indicated by it was adopted to negotiate such strategic agreement; indeed the board issued its favourable opinion on the strategic agreement, and (iii) the related party transactions procedure.

17.2. THE STRATEGIC AGREEMENT

On 25 September 2012, the board of directors approved the Strategic Agreement, which was signed on 27 September 2012.

Under the terms of this Strategic Agreement, Impregilo group and Salini group have commenced a collaboration strategy aimed at exploiting opportunities to increase value and revenue of both groups and to achieve cost savings thanks to operating and industrial synergies.

The Strategic Agreement sets out procedures for the coordination of the two organisations, taking into account the single group companies’ characteristics, their structure and size, in order to:

- (a) identify, assess and propose to the relevant bodies of each of the Parties how to take advantage of possible commercial and industrial synergies;
- (b) identify commercial projects covering infrastructure and large-scale works of potential interest to both Parties and regulate their participation in the related tenders, i.e., with the joint preparation and presentation of bids.

The Strategic Agreement does not cover the sale and/or acquisition of business units and/or equity investments, or mergers and/or demergers, or the sale, transfer and/or licensing of intellectual property rights or know-how, which each Party will continue to own separately. Nor does the Strategic Agreement imply a division of the markets/countries in which the Parties carry out or will carry out their activities independently or jointly. It does not stop them from independently undertaking new commercial initiatives in these markets/countries, within the terms of the Agreement itself.

Conversely and without prejudice to each Party’s commitment to comply with the coordination procedures set out therein and its aim, the Strategic Agreement does not generate any obligation for the Parties, except to the extent that specific decisions in this respect may be adopted independently from time to time by the relevant company bodies.

The Strategic Agreement, consisting of the simple adoption of procedures designed to define a collaboration method, does not in itself entail the transfer of resources, services or obligations between related parties. Moreover, with respect to its provisions (see point (b)), the related party transactions procedure, approved by Impregilo's board of directors on 30 November 2010, implementing Consob regulation adopted with resolution no. 17221 of 12 March 2010 and revised by it on 9 July 2012, specifically provides that "*for the purposes of this Procedure, the participation of the company and/or Impregilo group together with one or more related parties in public tenders called to construct large-scale works (construction, engineering and plant construction, concessions) is not considered to be a related party transaction*".

However, Impregilo's board of directors has deemed it appropriate to adopt specific measures to prevent conflicts of interest that could arise as a result of implementation of the Agreement and negotiation of its terms, given that certain Impregilo directors, and specifically its CEO, have similar roles in Salini group companies.

Specifically, the procedure applied to define the Agreement was based on the guidelines set out in the *corporate governance advisory board's* opinion, issued on 6 September 2012. The board recommended, inter alia, that an independent director (Pietro Guindani) be in charge of coordinating the negotiations for the Agreement, assisted by a legal advisor. It also recommended that the provisions of the Related party transactions procedure be adopted and, specifically, those covering negotiations for more important related party transactions.

Impregilo's related party transactions committee, and especially the chairperson, Alberto Giovannini, was involved in the negotiations and provided its favourable opinion on 25 September 2012. Only one director from the minority list, Giuseppina Capaldo, voted against.

The *corporate governance advisory board* also monitored compliance with the recommended procedure and checked that the content of the Strategic Agreement provided adequate guarantees (not just in procedural terms but also in substance). It provided its favourable opinion thereon on 27 September 2012 with the adverse vote of just one director from the minority list, Giuseppina Capaldo.

18. CHANGES SINCE YEAR END

No changes in the company's corporate governance structure have taken place since year end.

original)

Chairperson
Claudio Costamagna (signed on the

**LIST OF POSITIONS HELD IN OTHER COMPANIES LISTED ON
REGULATED MARKETS (ALSO FOREIGN), IN FINANCIAL COMPANIES,
BANKS, INSURANCE COMPANIES OR SIGNIFICANT SIZE COMPANIES
(THESE COMPANIES ARE NOT PART OF THE ISSUER'S GROUP)**

Claudio Costamagna	ADVISE ONLY SIM S.p.A.- Chairperson - LUXOTTICA GROUP S.p.A. - IL SOLE 24 ORE S.p.A. - DEA CAPITAL S.p.A. - VIRGIN GROUP HOLDING - FTI CONSULTING INC. - Director
Pietro Salini	SALINI COSTRUTTORI S.p.A. - SALINI S.p.A. - TODINI COSTRUZIONI GENERALI S.p.A. - CEO
Marina Brogi	BANCO DI DESIO DELLA BRIANZA S.p.A. - PRELIOS S.p.A. - A2A S.p.A.- Director
Giuseppina Capaldo	EXOR S.p.A.- Director
Mario Cattaneo	UBI BANCA S.C.P.A.- Member of the Supervisory Board - LUXOTTICA GROUP S.p.A. - BRACCO S.p.A. - Director MICHELIN ITALIANA S.A.M.I. S.p.A. - Statutory auditor
Roberto Cera	ATLANTIA S.p.A. - SALINI S.p.A. - TODINI COSTRUTTORI GENERALI S.p.A. - SALINI COSTRUTTORI S.p.A. - Director
Laura Cioli	none
Massimo Ferrari	none
Alberto Giovannini	UNIFORTUNE ASSET MANAGEMENT SGR S.p.A. - UNIFORTUNE INVESTMENT MANAGEMENT Ltd -

MTS S.p.A. - PRELIOS NETHERLANDS N.V. -
PRELIOS GERMANY GmbH - DTCC DERIVATIVES
REPOSITORY LTD - Director

Pietro Guindani

VODAFONE OMNITEL N.V. - Chairperson
PIRELLI & C. S.p.A. - Director

Claudio Lautizi

SALINI S.p.A. - Director

Geert Linnebank

INDEPENDENT TELEVISION NEWS - Director

Laudomia Pucci

EMILIO PUCCI S.R.L. - PITTI IMMAGINE S.R.L.
POLIMODA S.R.L. - Director

Giorgio Rossi Cairo

SOCIETA' AGRICOLA LA RAIA S.S. - Chairperson
VALUE PARTNERS MANAGEMENT CONSULTING
S.p.A. - Chairperson and CEO
FOREVER S.R.L. - VP IMMOBILIARE S.R.L. - VALUE
PARTNERS S.R.L. - Sole director
SOCIETA' E SALUTE S.p.A. - FABER S.p.A. - Director

Simon Pietro Salini

IMPREBANCA S.p.A. - Deputy Chairperson
SALINI COSTRUTTORI S.p.A. - SALINI S.p.A. -
Director

DIRECTORS WHO HAVE LEFT OFFICE

Massimo Ponzellini

INA ASSITALIA S.p.A. - Deputy chairperson -
IST. EUROPEO DI ONCOLOGIA - Director
B.E.I. - Honorary deputy chairperson

Giovanni Castellucci

ATLANTIA S.p.A. - CEO and general manager -
AUTOSTRADE PER L'ITALIA S.p.A. - AUTOSTRADE
SUD AMERICA S.r.l. - CEO -
IGLI S.p.A. - Director

Antonio Talarico	<p>FINADIN Finanziaria di Investimenti S.p.A. - MARINA DI LOANO S.p.A. - Chairperson FONDIARIA-SAI S.p.A. - IMMOBILIARE LOMBARDA S.p.A. - Deputy chairperson and member of the executive committee SAIAGRICOLA S.p.A. - Deputy chairperson</p> <p>MILANO ASSICURAZIONI S.p.A. - Director and member of the executive committee SAI INVESTIMENTI Società di Gestione del Risparmio S.p.A. - IGLI S.p.A. - Director</p>
Alberto Rubegni	none
Carlo Buora	<p>ISTITUTO EUROPEO DI ONCOLOGIA S.r.l. - CENTRO CARDIOLOGICO MONZINO S.p.A. - Chairperson PENTAR S.p.A. - Deputy chairperson</p>
Alfredo Cavanenghi	S.I.A.S. S.p.A. - Statutory auditor
Fabio Cerchiai	<p>FONDIARIA-SAI S.p.A. - MILANO ASSICURAZIONI S.p.A. - ATLANTIA S.p.A. - MOTORWAYS PER L'ITALY S.p.A. - ARCA VITA S.p.A. - ARCA ASSICURAZIONI S.p.A. - CERVED S.p.A. - Chairperson EDIZIONE S.r.l. - VENETO BANCA S.C.P.A. - Director</p>
Nicola Fallica	none
Beniamino Gavio	<p>AURELIA S.r.l. - CEO SOCIETA' INIZIATIVE AUTOSTRADALI E SERVIZI S.p.A. - Director</p>
Marcello Gavio	<p>AURELIA S.r.l. - CEO ASTM S.p.A. - Deputy chairperson</p>
Maurizio Maresca	HOLCIM (ITALIA) S.p.A. - Chairperson

Giuseppe Piaggio	SOCIETA' ITALIANA TRAFORO MONTE BIANCO - MEDITERRANEA DELLE ACQUE S.p.A. - Deputy chairperson ATLANTIA S.p.A. - AUTOSTRADE PER L'ITALIA S.p.A. - FONDAZIONE CRT - Director COGNE ACCIAI SPECIALI S.p.A. - Chairperson of the board of statutory auditors
Massimo Pini	ADR ADVERTISING S.p.A. - Chairperson FONDIARIA SAI S.p.A. - Deputy chairperson MILANO ASSICURAZIONI S.p.A. - Director and member of the executive committee
Alberto Sacchi	ASTM S.p.A. - SOCIETA' INIZIATIVE AUTOSTRADALI E SERVIZI S.p.A. - CEO SOCIETA' AUTOSTRADA LIGURE TOSCANA p.A. - Director and member of the executive committee
Giacomo Valle	nessuna
Fabrizio Palenzona	GEMINA S.p.A. - Chairperson UNICREDIT S.p.A. - Deputy chairperson
Gian Maria Gros-Pietro	ASTM S.p.A. - Chairperson CALTAGIRONE S.p.A. - EDISON S.p.A. - FIAT S.p.A. - IVS GROUP S.p.A. - Director
Nigel W Cooper	PARMALAT S.p.A. - UNIBET PLC - METRO INTERNATIONAL S.A. - Director
Barbara Poggiali	FALCK RENEWABLES S.p.A. - SCREEN SERVICE BROADCASTING TECHNOLOGIES S.p.A. - Director
Alfredo Scotti	LINKIESTA S.p.A. - Chairperson CREDITO LOMBARDO VENETO S.p.A. - SOCIETA' E SALUTE S.p.A. - Director
Roland Berger	RCS MEDIAGROUP S.p.A. - Deputy Chairperson BAD HOMBURG - PRIME OFFICE REIT-AG - Chairperson of the supervisory board
Alberto Giussani	EI TOWERS S.p.A. - Chairperson VITTORIA ASSICURAZIONI S.p.A. - Chairperson of the board of statutory auditors FASTWEB S.p.A. - CARLO TASSARA S.p.A. - ISTIFID S.p.A. - Director

LUXOTTICA S.p.A. - FALCK RENEWABLES S.p.A. -
Statutory auditor

Caterina Bima

BANCA FIDEURAM S.p.A. - LEASINT S.p.A. -
Director