

autostrade//per l'italia

Società per azioni

Società soggetta all'attività di direzione e coordinamento di Atlantia S.p.A.
Capitale Sociale € 615.527.000,00 interamente versato
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Object: Autostrade per l'Italia Communication on Progress - 2006

Autostrade per l'Italia, the main company in Autostrade Group, has the control of the motorway activities of the Group in Italy. The infrastructure network managed by Autostrade per l'Italia and its subsidiaries is a key part of the Italy's communication and trading system and of its relations with other countries. Responsibility for its management gives to the companies a role of great social importance.

Social responsibility is therefore object of great attention for Autostrade per l'Italia, which publishes a Group Sustainability Report since 1997.

On this base, in 2004, the Company decided to support the Global Compact project and to subscribe to the Ten Principles.

Actions undertaken in 2006 give evidence of the commitment to the Ten Principles, further confirmed by the subscription of the "Caring for Climate: The business Leadership Platform", signed by the CEO of Autostrade per l'Italia in the June of 2007.

Chairman of Autostrade per l'Italia

(Gian Maria Gros-Pietro)

Commitment to the Ten Principles

Human rights

Principle I: Businesses should support and respect the protection of internationally proclaimed human rights; and

Principle II: make sure that they are not complicit in human rights abuses.

All the activities of Autostrade per l'Italia and its subsidiaries are in Italy.

The Autostrade per l'Italia's commitment to the principles in the areas of corruption prevention, human rights and labour protection is expressed in the Code of ethics, available on Autostrade per l'Italia's web site (www.autostrade.it), also distributed to all staff in order to increase awareness and improve behaviours.

The Code is attached to tender, supply and service contracts, with the requirement to the suppliers to comply with its principles.

Extract from the Autostrade Group Code of Ethics – Chapter 2.1: Ethical principles

The competitiveness of the Group is intrinsically linked to the efficiency of the staff and systems which, when integrated, result as adequate to effectively achieve the corporate objectives.

The primary objective of the Group, and of those who lead it, is to propose and implement projects, activities and investments aimed at preserving and increasing the corporate assets, without sacrificing the unique character of each single contribution.

The achievement of the Group's objectives, is based on the following principles (hereinafter the "Principles"):

- Compliance with all the law and regulatory provisions in force in the countries where the Group operates;
- Strict and rigorous compliance with the rules of behaviour in relations with the Public Sector, in total conformity with all institutional functions;

- Honesty, transparency and reliability;

- Equality and impartiality in dealing with clients, employees and independent contractors;

- Loyalty, propriety and good faith;

- Respect of one's own employees and independent contractors, and of third parties in general;

- Safeguard of the environment and safety in general, with particular reference to safety at work;

Each employee, consultant, supplier, partner in long-term business relations and whoever has relations with the Group is under an obligation to comply with the Principles. The Group shall not commence or continue any relationship with whoever appears not to be willing to comply with the Principles.

Labour Standards

Principle III: Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining;

Principle IV: the elimination of all forms of forced and compulsory labour;

Principle V: the effective abolition of child labour; and

Principle VI: the elimination of discrimination in respect of employment and occupation.

Principles of equality and impartiality in dealing with employees are supported by the Autostrade Group Code of Ethics.

About 70% of the Autostrade per l'Italia's employees are members of a Trade Union.

Extract from the Autostrade Group Code of Ethics – Chapter 5.1: Human Resources

Human resources

Human resources are considered an essential element of the Group's existence and future development.

In order for the capabilities and competencies of each employee to be appreciated and for each employee to express his/her value, the competent corporate officers must:

- Apply the criteria of merits and professional competencies in taking any decision vis-à-vis employees;
- Select, hire, compensate and manage employees without any discrimination, treating all employees equally, irrespective of sex, age, nationality, religion and race;
- Guarantee to each employee equal opportunities in all aspects of the labour relationship with the Group, including but not limited to the professional recognition, wages, training, etc.

Employees must take note of the existence of the Code and of the behaviours provided for by same; to this end, the Group undertakes to implement training programs relating to the contents of the Code.

The Group undertakes to safeguard the mental and physical integrity of employees, respecting each employee's distinct personality, and ensuring they suffer no distress or hardship. To this end, the Group, in order to safeguard its image, also reserves the right to consider relevant any out-of-work behaviour which is considered to be offensive and shall intervene to avoid behaviour of an insulting or defamatory nature.

The employees shall, therefore, be under a duty to co-operate to maintain a corporate climate characterized by mutual respect and behaviour which does not harm the dignity, honour and reputation of each single individual.

The new organisational unit "social responsibility initiatives"

In 2006, Autostrade per l'Italia set up a new organisational unit devoted to social responsibility and entrusted with carrying out initiatives benefiting employees and social and humanitarian projects.

Its activities are coordinated by the "Ethical Committee", whose members also comprise Trade Unions representatives, so that this activity is characterized by sharing and openness to employees' proposals and ideas.

The unit's objectives are:

- To increase the staff's sense of belonging to and trust the Company;
- To boost the positive perception of the Autostrade brand on the part of employees so that the Group's values are also reflected externally;
- To contribute to improving the quality and value of services provided by the Group via the development of relations between the company and employees;
- To spread a culture that favours sustainable growth, in terms of economic, social and environmental sustainability.

The initiatives for the employees undertaken in 2006 by the new unit are:

- in the health area:
 - ✓ Flu vaccines extended also to family members (1650 people taking part)
 - ✓ A day of prevention: 2006 was devoted to serious skin diseases with the offer of dermatologic checkups
- for the family:
 - ✓ "Baby car kit" distributed to all employees with newborn babies
 - ✓ "School tutoring" project, consisting in an information and study orientation service to help them choose their field of study at the University via seminars and individual interviews
- In the social area:
 - ✓ A project entitled "On the part of volunteers", launched to contributing of promotion of solidarity within the Company. A day devoted to promoting awareness and dialogue on this theme was organised, with around 160 employees, involved in volunteer activities out of the Company, taking part.

Humanitarian projects supported by the new unit in 2006 are:

- Collaboration with Action Aid by financing a project which aims to help children in Cambodia, providing healthcare and basic services to children with AIDS and their families.
- Collaboration with "Kim", an association that has built a complex to house families from developing countries with sick children, who have come to Rome for treatment.

The OHSAS 18 001 certification

In September 2006 Autostrade per l'Italia has certified its system to managing workers' health and safety, in accordance with OHSAS 18 001, regarding the headquarters of Rome and Florence. This certification bears witness to the Company's commitment to safety and health issues affecting its own staff during work activities, in full respect of existing legislation, and it represents an important progress to improve the overall performance of the Company in social responsibility.

Environment

Principle VII: *Businesses should support a precautionary approach to environmental challenges;*

Principle VIII: *Undertake initiatives to promote greater environmental responsibility;*

Principle IX: *Encourage the development and diffusion of environmentally friendly technologies.*

The new unit "environmental protection"

In 2006, Autostrade per l'Italia decided to put together a general plan for environmental protection and management of related risks and created a new specific organisational unit for this purpose. The plan is aimed to better coordinate and control the activities which impact on environment, carried out by different areas in the Company, and to prevent environmental risks.

The ISO 14 001 certification

In 2006 Autostrade per l'Italia obtained the ISO 14 001 certification of the environmental management system regarding the "Design, preparation, installation and maintenance of technological systems for toll collection, access control and traffic information, located along roads and motorways". It is Autostrade per l'Italia first environmental certificate and confirms that the Company's activities are carried out in the full respect of the environment.

Energy consumptions

Autostrade per l'Italia regularly monitors energy consumptions and promotes alternative energy sources use, as described in 2006 Sustainability Report of the holding Autostrade.

As regards the search for alternative energy sources, in 2006 Autostrade per l'Italia started the works relating to construction of a photovoltaic roof at the Roma South toll station.

The related feasibility study was carried out in collaboration with the Ministry for the Environment, on the basis of an agreement signed in March 2004. The photovoltaic roof was ready in June 2007.

The photovoltaic roof, positioned in such a way as to best exploit the sun's rays, measures about 240 square meters and is perfectly integrated into the parking area. The structure is hooked up to the national electricity grid, in accordance with existing legislation. Peak installed power is 33.3 KWh, with estimated annual production of around 45 MWh.

Considering the plant's lifespan (about 30 years) the positive impact on the environment in terms of reduction of CO₂ emissions is estimated in 800 metric tons.

Subsequent to experimentation with this type of installation, a plan will be put together to build similar facilities in different motorway areas, with a view to boosting the use of "clean" energy in the management of the motorways.

Anti-corruption

Principle X: *Businesses should work against corruption in all its forms, including extortion and bribery.*

The holding company Autostrade (since may 2007, the name is changed in "Atlantia") has signed up to the World Economic Forum's Partnering Against Corruption Initiative (PACI), in support of a zero tolerance policy regarding corruption.

Autostrade started a formal anti-corruption programme since 2001.

In 2002, the Board of Directors of Autostrade approved the Organisation, Management and Control Model and the associated Group Code of Ethics, and submitted them to the Ministry of Justice, in compliance with the terms of Legislative Decree 231/2001, which contains regulations concerning the administrative liability of companies and associations, bribery included.

The purpose of the Model is to help the Group build a structured, integrated system of procedures and preventive measures against the various types of offence envisaged by the Decree by singling out areas of particular risk and introducing routine procedures for risk control.

The Basic Principles contained in the Model aim to:

- ensure that all those who operate on behalf or in the name of the Group in risk-prone areas are aware that if they violate the principles in the Model, criminal or administrative sanctions may be imposed not only on them but also on the Company;
- reiterate that Autostrade strongly condemns all such acts, even where it apparently stands to gain from them, because they are contrary not only to the law but also to the ethical principles according to which Autostrade conducts its business.

In addition to the principles outlined above, the key elements of the Model are:

- mapping the "sensitive" areas of the Company – i.e. those business activities that lend themselves most easily to the commission of the offences referred to in the Decree;
- establishing a Supervisory Body to ensure that the Model is working properly and effectively.

The Supervisory Body, appointed by the Board of Directors, is chaired by Renato Granata, President Emeritus of the Constitutional Court and First Honorary Supplementary President of the Court of Cassation (the supreme court of appeal). The Supervisory Body also includes the Head of the Legal Affairs Department and the Head of Internal Audit Department. At a more general level, the Supervisory Body is responsible for:

- 1 enforcing compliance with the rules and regulations of the Model by the companies;
- 2 checking the effectiveness of the Model in relation to the companies' structures and verifying whether it remains an effective means for suppressing the offences indicated in the Decree.

Every year the Supervisory Body submits a situation report on the implementation of the Model by the parent company and other Group companies to the Board of Directors. In the following years, as regards the implementation of the Action Plan, the Supervisory Board has carried out activities to monitor and check the Model. It also transmitted, on a regular basis, its reports to the Company's Board of Directors, the Board of Statutory Auditors and the Independent Auditors in charge of the audit of the financial statements.

The rules contained in the Model have been integrated with those set out in the Group's Code of Ethics. The Code, which came into effect on 1 January 2003, establishes a set of rules governing the Group's relations with internal and external stakeholders, based on the values of precision and transparency and taking full account of the social function of the motorway network and the services provided. An Ethics Officer has been appointed by the Group to oversee correct application of the Code of Ethics, the diffusion of its principles and the monitoring of conduct with respect to the established rules.

The Internal Audit Department monitors and checks the smooth running of the Group's internal control system. It carries out inspections aimed at ensuring that corporate processes take place in compliance with legislation and internal regulations, with notification of any corrective measures to senior management.

The activities of the internal audit Department are defined by the Board of Directors, which establishes its courses of action and check their effective implementation, ensuring that the main corporate risks (operational, financial and other) are identified and appropriately managed. The Board of Directors makes use of the Internal Control and Corporate Governance Committee. The manager of the internal Audit Department is not hierarchically dependent on any operational manager and reports to the Chairman and Managing Director, as well as to the Committee for Internal Control and Corporate Governance and the Board of Auditors. In 2006 a special unit, called Risk Management and Internal Control Unit, was set up in order to identify, manage and monitor company risks.

More information about all these subjects is available in the Sustainability Report 2006 of the holding Autostrade and on the web sites: www.autostrade.it and www.atlantia.it.