

FILE No. 56456 Folder No. 19481

MINUTES OF THE SHAREHOLDERS' MEETING  
of ACEA S.P.A.

Deed registered on  
26/05/2016 no. 14812  
IT Series in Rome 1 for  
€200.00

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ITALIAN REPUBLIC

On the twenty fourth day of May in the year two thousand sixteen  
24.05.2016  
at 7.15 pm

In Rome, Via Salaria 259.

Before me, MARIO SCATTONE, Notary in Rome, duly registered in the  
Combined Roll for the Districts of Rome, Velletri, and Civitavecchia,  
appears

- TOMASETTI CATIA, born in Rimini on 17 December 1964, domiciled for the  
office at the company's registered office in Rome as specified below, who takes  
part in this deed as Chairman of the Board of Directors and legal representative of:  
- ACEA S.p.A. (hereinafter also referred to as the "Company"), with  
Registered office in Rome, Piazzale Ostiense 2, share capital €1,098,898,884.00  
fully paid up, tax code and VAT number / registration number with the Register of  
Companies of Rome: 05394801004 - Rea 882486.

The appearing party, of whose personal identity I, Notary, am certain, is present at  
this deed to draw up the minutes of the ordinary shareholders' meeting of the  
company that was held on 28 April 2016, due to begin at 10.00 am as per notice of  
call, in Rome at the Congress Centre "La Fornace", at the Centrale Tor di Valle,  
Via Dell'Equitazione 32, as per minutes acknowledging the notice of call and  
subsequent notarized minutes drafted by me on the same date File no.56395/19438  
filed with the Revenue Agency of Rome 1 on 20 May 2016 with no.14236/1T.

The appearing party declares that the said meeting was duly convened, in  
accordance with law and with the by-laws, in the aforementioned place and day, at  
ten a.m. to discuss and vote on the following

**Agenda**

- 1. Financial statements at 31 December 2015; Board of Directors' Report on Operations, Board of Statutory Auditors' Report and Auditing Firm's Report. Presentation of the Consolidated Financial Statements at 31 December 2015. Resolutions on approval of the Annual financial statements at 31 December 2015.**
- 2. Resolutions on the allocation of the net profit for 2015.**
- 3. Remuneration Report - Resolutions on Section one, in accordance with art. 123-ter, paragraph 6, of Italian Legislative Decree No. 58 of 24 February 1998.**
- 4. Appointment of the Board of Statutory Auditors, Chairman of the said Board, and determination of fees:**
  - 4.1 appointment of the Board of Statutory Auditors;**
  - 4.2 appointment of the Chairman of the Board of Statutory Auditors;**

**4.3 determination of the Board of Statutory Auditors' fees.**

**5. Responsibility for the remuneration of directors with special powers.**

The appearing party confirms that the task to prepare the aforementioned minutes had been entrusted to me and asks me to draft the minutes of the aforementioned meeting and the resolutions adopted by it.

I Notary, having acceded to this request, acknowledge the following with reference to the aforementioned meeting of 28 April 2016, and record in the minutes the progress of the said meeting:

The Chairman of the company's Board of Directors, CATIA TOMASETTI, takes the floor

and, before opening the meeting, thanks all the shareholders, whether present or absent, briefly describing the progress of the Company's business plan; she then states:

"Last year, we left this meeting setting ourselves three simple but challenging goals: the creation of value, the modernization of the company and its processes and closer connection with the local community and, therefore, with our customers. I think we can proudly say that for 2015 these objectives have been achieved and are being reached.

I'll give you very few figures because the CEO will later discuss them in more detail. Net profit was 175 million euros, 7.7% more than in 2014, and, given the macroeconomic environment, this is a valuable result that was driven by our internal efforts. We are engaged in a regulated market, therefore this result has been achieved especially through greater cost efficiency brought about by the modernization, by the digitization process that we simply call Acea 2.0, and which, not by chance, has been chosen as logo for this meeting. These results demonstrate that we are on the right track and the stock market has rewarded us for this digital revolution, so much so that the our stock has gone up by 60% against a stock exchange average of nearly 13%. Surely the stock market has appreciated this challenge that will turn us into the first, fully digitized, Italian multi-utility; but I think the market has also positively assessed the efforts made on the Capex front. We have invested nearly 430 million euros, which is more than 34% of the 2014 figure. We should not forget that if we do not invest, we cannot reach service quality.

I would like to give a practical example, in Rome, where we manage the integrated water service, our capital expenditure is equivalent to 50 euros per capita while the Italian average is 34 euros; thus, we can say that, in Rome, Acea has invested 45% more than the Italian average. It is a significant and important figure, which we will continue to pursue with the new business plan; in the 2016-2020 time frame, we have planned to invest one billion in the water segment, 878 million in the networks, 262 million in the environment segment, mainly for the modernization of plants, 159 million in energy, again to modernize plants, but above all to improve service to customer. And all this, while we continue our difficult and complex cost reduction process, will lead us to savings of almost 100 million euros in four years. With these results in 2015, and with these goals in mind, we can confidently look forward to the completion of this plan, as we estimate an average annual EBITDA growth of approximately 4% and we estimate a dividend growth of between 3 and 6%.

Before I leave you with a video that better describes Acea's industrial commitment and especially our connection with the community, I would like to take this opportunity to thank the Board of Directors, especially the CEO, for all

he has done, the Board of Statutory Auditors whose mandate expires today and which contributed to the result, but especially all Acea's women and men who, with their every day's work, commitment and high professionalism make all this possible".

The said video is then projected on a screen in the room, behind the Chair's table. The Chairman then declares the meeting open at 10.44 a.m. (forty-four minutes past ten) and takes over the Chairmanship pursuant to Art. 14 of the by-laws in force; she acknowledges:

- that the following members of the Board of Directors, in addition to the Chairman, are present:

Alberto Irace	CEO
Paola Antonia Profeta	Director
Giovanni Giani	Director

- of the Board of Statutory Auditors the following standing auditors are present:

Enrico Laghi	Chairman
Corrado Gatti	Statutory Auditor

Finally, pursuant to article 14, paragraph 3, of the by-laws and article 2375, paragraph 1, of the Italian Civil Code, she also acknowledges that the minutes of this meeting will be drawn up by Mario Scattoni, Notary in Rome.

She states that are also present at the Chairman's table: the CEO, Alberto Irace, the Chairman of the Board of Statutory Auditors, Enrico Laghi, the Notary, Mario Scattoni, the Secretary of the Board of Directors, Giuseppe Del Villano, the CFO, Demetrio Mauro, and asks me, the Notary, to reiterate and request that attendees do not use any recording devices. Therefore, I Notary, remind the attending shareholders and all participants at the meeting that the use of recording devices, both audio and video, is not permitted except for those necessary to take the minutes, which are provided by the organization. The Chairman declares that as 308 (three hundred and eight) entitled participants are present, in person or by proxy, for a total of 184,066,124 (one hundred eighty-four million sixty-six thousand one hundred twenty-four) shares, corresponding to 86.430263% (eighty-six-point four three zero two six three percent) of the 212,964,900 (two hundred twelve million nine hundred sixty-four thousand nine hundred) ordinary shares, of which with voting right 157,789,113 (one hundred fifty-seven million seven hundred eighty-nine thousand one hundred thirteen), corresponding to 74.091605% (seventy-four-point zero nine one six zero five percent) and of which 26,277 (twenty-six thousand two hundred seventy-seven) without voting right, the Ordinary Shareholders' Meeting, duly convened, is validly established in accordance with law and the by-laws and may pass resolutions on the items on the agenda.

The printout of the list of attending shareholders is attached to these minutes as specified below.

At the request of the shareholder CHIURAZZI, the Chairman announces that the number of shareholders present in person at the meeting will be announced later.

The Chairman then notes that the Shareholders' Meeting has been duly convened for today, in this place at 10.00 (ten a.m.), pursuant to law and the by-laws, by means of notice published on the company's website, at the authorized storage mechanism lInfo, at the address [www.linfo.it](http://www.linfo.it), and in the newspaper "Il Sole 24 Ore" on 19 March 2016 and has been convened with the following

Agenda:

1. Annual financial statements at 31 December 2015; Board of Directors' Report on Operations, Board of Statutory Auditors' Report and Auditing Firm's

Report. Presentation of the Consolidated Financial Statements at 31 December 2015. Resolutions on approval of the Annual financial statements at 31 December 2015.

2. Resolutions on the allocation of the net profit for 2015.
3. Remuneration Report - Resolutions on Section one, in accordance with art. 123-ter, paragraph 6, of Italian Legislative Decree No. 58 of 24 February 1998.
4. Appointment of the Board of Statutory Auditors, Chairman of the said Board, and determination of fees;
  - 4.1 appointment of the Board of Statutory Auditors;
  - 4.2 appointment of the Chairman of the Board of Statutory Auditors
  - 4.3 determination of the Board of Statutory Auditors' fees.
5. Responsibility for the remuneration of directors with special powers.

The Chairman informs that notifications from the intermediaries, for the purpose of participation at the meeting of those entitled, have been sent to Acea in the manner and within the time limits established by the law in force.

The Chairman announces that, as specified in the notice of meeting, the Company has appointed Computershare S.p.A. as the Designated Representative for the granting of proxies and the related voting instructions, in accordance with Article 135-*undecies* of Legislative Decree 58/1998 and has made available the proxy form at the registered office and on its website.

The Chairman points out that, according to a notice received from the Designated Representative on 27 April, no proxies were given to the Designated Representative, within the deadlines established by law, by those entitled to exercise the voting right. The Chairman also states that, with regard to today's meeting, there have been no solicitations of proxies pursuant to Article 136 and following of Italian Legislative Decree 58/1998.

With regard to the items on the agenda, the Chairman notes that the formalities required by current laws and regulations have been regularly carried out. More specifically, the following documents have been filed at the Registered Office and made available on the company website [www.acea.it](http://www.acea.it), in the 2016 Shareholders' Meeting section, and at the authorized storage mechanism 1Info, at [www.1info.it](http://www.1info.it):

- on 19 March 2016: the Directors' Reports on items 3, 4 and 5 on the agenda;
- on 6 April 2016: the Annual Financial Report at 31 December 2015, comprising the draft financial statements and the consolidated financial statements, the Directors' Report, the declaration pursuant to article 154-bis, paragraph 5, of Legislative Decree 58/1998, together with the Reports of the Independent Auditors and of the Board of Statutory Auditors as well as the Report on Corporate Governance and Ownership Structure pursuant to art. 123-bis of Legislative Decree 58/98, the Remuneration Report referred to in art. 123-ter of Legislative Decree 58/1998, referred to in item 3 of the agenda and the report on items 1 and 2 of the agenda.
- on 13 April 2016 the financial statements information on subsidiaries and associates were made available at the Company's registered office.

The Chairman states that the above documentation has been delivered to all participants, together with a copy of the notice of call for this meeting and of the Shareholders' Meeting Regulation. She also acknowledges that, pursuant to art. 13 of the by-laws and the applicable legal provisions, the attendees' entitlement to speak and vote at the meeting has been ascertained and, specifically, that it has

been verified that the proxies carried by those taking part in the discussion comply with the laws and the by-laws in force.

The Chairman informs that the following documents will be attached to the minutes as an integral and substantial part thereof, and will be made available to those entitled to vote:

- the list of participants at the Shareholders' Meeting on their own behalf and/or by proxy, containing all the data required by Consob and the number of shares for which the Intermediary made the communication to Acea pursuant to Article. 83-sexies of Italian Legislative Decree No. 58/98;
- the list of those who voted for, against or who abstained, were listed as not voting, or have left the room before each vote and the corresponding number of shares represented in person and/or by proxy.

The Chairman informs that a summary of the discussions with the names of those who took part, the answers provided and any replies will be included in the minutes of this Meeting. She finally acknowledges:

- that accredited journalists were authorized to attend today's meeting. For technical and organizational requirements related to the conduct of the meeting, some employees, collaborators and experts of the company, identifiable through their badge, are also attending the meeting;

- that, pursuant to Legislative Decree 196/2003 – Code on personal data - the data of participants at the meeting are collected and processed by the Company solely for the purpose of fulfilling the required meeting and corporate formalities.

The Chairman reminds that the share capital amounts to one billion ninety-eight million eight hundred ninety-eight thousand eight hundred eighty-four euros (1,098,898,884) divided into: two hundred twelve million nine hundred sixty-four thousand nine hundred (212,964,900) ordinary shares with a nominal value of €5.16 (five point one six) each. She informs that as a result of the purchase of treasury shares, authorized by the Ordinary Shareholders' meeting, the company currently holds 416.993 (four hundred sixteen thousand nine hundred ninety-three) treasury shares without voting right pursuant to art. 2357-ter of the Italian Civil Code.

She reminds that the company's shares are admitted to trading on the electronic stock market organized and managed by Borsa Italiana S.p.A. The Chairman informs that, according to the shareholders' register records, supplemented by the communications received pursuant to art. 120 of Italian Legislative Decree 58/1998 and other available information, to date those who directly or indirectly hold a stake in excess of 3% (three percent) of the subscribed and paid up share capital of Acea S.p.A, are the following:

SITUATION OF SIGNIFICANT SHAREHOLDINGS IN THE LIGHT OF THE SITUATION RESULTING FROM CONSOB AND FROM INFORMATION HELD BY THE COMPANY (MEETING COMMUNICATIONS)

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SHAREHOLDERS - NO. OF ORDINARY SHARES - % OF CAPITAL  
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ROMA CAPITALE      108,611,150      51.000%

SUEZ ENVIRONNEMENT COMPANY SA

Indirectly through	26,584,395	12.483%
Suez Italy S.p.A.		
CALTAGIRONE		
FRANCESCO GAETANO Total	33,767,000	15.856%
Indirectly through		
VIAPAR S.r.l.	6,120,000	2.874%
SO.FI.COS. S.r.l.	6,147,000	2.8864%
VIAFIN S.r.l.	3,300,000	1.5496%
FINCAL S.p.A.	16,000,000	7.5130%
GAMMA S.r.l.	2,200,000	1.033%

The Chairman informs that the Company is not aware of any shareholders' agreements relating to shares of the Company pursuant to art. 122 of Legislative Decree 58/1998 and pursuant to art. 6 of the by-laws and asks the participants to

give immediate notice if they are informed otherwise. No one takes the floor.

In the absence of other information, she points out that, under the combined provisions of Articles 6, paragraph 1, and 13, paragraph 2, of the By-laws, with the exception of Roma Capitale and its subsidiaries that have acquired the status as shareholders, the right to vote attached to the shares held in excess of the limit of 8% (eight percent) of the share capital, calculated according to the criteria established in the same art. 6, cannot be exercised, including by proxy.

Lastly, she reminds that:

pursuant to art. 120 of Legislative Decree no. 58/1998, those who directly or indirectly own more than 3% of the company's capital and have failed to notify the company and Consob, may not exercise the voting rights attached to the shares for which the communication has been omitted;

with reference to the reporting requirements under Article 120 of Italian Legislative Decree no. 58/1998, the shares entitled to vote by proxy are considered as shareholdings, provided that such right may be exercised at the discretion of the proxy holder without specific instructions by the delegating party;

the right to vote attached to the shares for which the disclosure requirements referred to in art. 122 of Italian Legislative Decree no. 58/1998 have not been met, cannot be exercised.

The Chairman formally asks that all those entitled to vote in person or by proxy at today's meeting declare any cause for the suspension of vote that are not known to the Company, pursuant to the relevant legal provisions and the by-laws.

No one takes the floor with regard to the foregoing remarks made by the Chairman. No declaration is made.

The Chairman announces that the minutes of this meeting will only contain a summary of the speeches strictly pertaining to the matters on the agenda with indication of the name of those speaking, the replies obtained and any comments made.

- She therefore asks those who wish to take the floor, to register each time giving their names; when their turn comes, they can speak from the podium set up next to the Chairman's table. Questions will be answered by the Chairman, the Chief Executive Officer or by participants at the Chairman's table, at the end of the

speeches, to ensure the efficient progress of the Shareholders' Meeting.

- She requests speeches to be clear, concise, pertinent to the subject of the item on the agenda and limited to a time of 10 minutes, save the right to a subsequent reply, which should not exceed five minutes, in accordance with the shareholders' meeting Regulations and, above all, to enable all those entitled to make their speech.

- The Chairman also informs that the room is equipped with a voice amplifying system, and that recording is necessary to facilitate the taking of minutes and that the use of other recording devices is not permitted. Moreover, to ensure the efficient progress of the meeting, a light signalling system is in place to show speech times; a sound signal is also provided at mid-time and at the end of the available time. The yellow signal will indicate half of the time available for each speech and the red signal the end of speech time.

Before moving on to the discussion of the items on the agenda, the Chairman provides information on the technical procedures of the Shareholders' Meetings functioning and voting.

Each participant has been handed an electronic device called "radiovoter", which stores an identification code of the person entitled to vote and of the shares held. Together with the "radiovoter", a card has been handed containing instructions for the use of such device.

Voting will always take place through the "radiovoter". Voting rules are very simple, as described in the slides given to the participants which are being shown on the screen.

Once the voting procedure for each item on the agenda is declared open, except for item 4.1 of the agenda concerning the appointment of the Board of Statutory Auditors, for which the list voting system will be applied, each person entitled to vote has to press the "F" button on the "radiovoter" if he/she wishes to vote in favour, or the "C" button to vote against, or the "A" button to express their abstention from voting.

As regards the list voting system for the renewal of the Board of Statutory Auditors, the Shareholders are asked to express their preference for one of the two lists presented, by pressing the "1" button in case of preference for the list that will be set as number 1, or the "2" button in case of preference for the list that will be indicated as number 2. Therefore, in this vote the "F" button should not be used. In this case, the red button "C" or the yellow button "A" continue to be used to express, respectively, a vote against or an abstention with respect to both the lists presented.

She points out that for all votes

- before activating the "OK" button, each entitled person can still edit his/her choice, by simply typing the button for the new choice.

Therefore, she recommends checking the display to make sure the choice made is correct; subsequently the "OK" button has to be pressed on the "radiovoter" to express the final vote, receiving confirmation on the same display. After that time, the vote cast cannot be changed except by going to the "assisted voting" desk located to the right of the Chairman's table.

The Chairman points out that an *ad-hoc* desk called "assisted voting" has been set up for proxy holders who intend to cast different votes, as part of the total shares they represent.

For any questions concerning the voting, the attendant staff present in the room will provide assistance where necessary.

The Chairman clarifies that those who will not vote or confirm their vote by pressing OK will be considered as "NOT VOTING".

Through the "radiovoter" system, the votes for, against and abstaining, including with reference to the list preference, and the non-voting persons will be automatically recorded and reported in detail in the annex to the shareholders' meeting minutes. The "radiovoter" will also be used to record attendance each time people enter or temporarily leave the meeting room and will then have to be returned to the staff in charge when definitely leaving the meeting or at the end of it.

Conversely, voting regarding the functioning of the meeting will only take place by show of hands, and those who vote against or abstain will have to communicate their name and the number of shares held on their own behalf and/or by proxy.

The Chairman asks those who do not wish to be included in the count of the majority to leave the hall before voting starts, using the procedure described above.

Voting on the individual items on the agenda will take place at the close of the debate on such item.

Participants at the meeting are requested, NOT TO leave the hall until the vote count has been completed and the outcome announced, also because, according to Consob Regulation, the minutes must indicate the names of those who have left the room before each vote.

- Before every vote, the number of those present will be noted and the personal details of those who have declared they do not wish to vote will be ascertained.

The Chairman informs that to facilitate the conduct of voting in the manner described, it is appropriate that for the count the notary is assisted by staff of Computershare S.p.A., the company that assists us in the conduct of the meeting.

At this point the Chairman replies to the shareholder who had previously asked to be informed about who was present at the meeting on his/her own behalf, stating that there are twelve (12) shareholders attending on their own behalf while those present by proxy are two hundred ninety-six (296), for a total of 308 (three hundred and eight).

Moving on to the discussion of the items on the agenda, the Chairman proposes to start the discussion of the **first item** on the Agenda:

**1. Financial statements at 31 December 2015;**

**Board of Directors' Report on Operations, Board of Statutory Auditors' Report and Auditing Firm's Report. Presentation of the Consolidated Financial Statements at 31 December 2015. Resolutions on approval of the Annual financial statements at 31 December 2015.**

The Chairman informs that the "Letter to the Shareholders" is included in the documentation that has been given to the participants and, with the shareholders' consent, she omits the reading thereof; the letter will be attached to these minutes as further indicated below.

The Chairman gives the floor to the CEO and asks him to present the most relevant data of the Financial Statements at 31 December 2015 and of the group consolidated financial statements for FY2015.

The CEO, Mr. Irace, takes the floor and, to the extent possible, his speech is more or less verbatim reported here in full:

IRACE: "Good morning to all shareholders. I will focus on the financial statements results in 2015, on the ongoing projects and initiatives and will provide some information on the business plan that the company is implementing. I will also provide information on the performance of the stock on the Stock Exchange during the presentation. In April 2015, the Shareholders' meeting also approved to



increase the number of directors from seven to nine. This increase has objectively streamlined the Board's activities and made those of the committees more productive during 2015. In June 2015, the Board of Directors approved the 2015-2019 Business Plan, concentrating growth focus on regulated businesses and the development of the environment segment and driving a strong commitment to operational and organizational efficiency. In June 2015, Moody's confirmed the investment grade Baa2 with stable outlook; Fitch also confirmed its BBB+ rating with stable outlook. In September 2015, a first very important milestone in the organizational change process was reached: the Work Force Management was started and the billing systems of the company that manages the integrated water service in the city of Rome and the related province, were replaced. On that occasion 19 different information systems were replaced; it was a very delicate moment in the reorganization process, because it was the first step in the start of a new operating model, as I will explain later. In addition, in 2015, Standard & Poor's confirmed Acea's rating with stable outlook. Through its year-end resolutions, the Authority for Energy, Gas and Water Services approved the regulatory framework for both the water and the distribution of electricity for the years 2016-2019. In 2016, there were other very important moments; upon approval of the financial statements, the Board of Directors also updated its 2016-2020 business plan, in order to better take account of the resolutions approving the regulatory system which obviously impacted on the plan assumptions. In early April 2016, the digitization process also affected the electricity distribution companies, the public lighting companies and the ATO 5 Company that manages the integrated water service in the province of Frosinone.

Let's now examine the results for 2015: EBITDA came to 732 million euros, an increase of 2%, despite in 2014 non-recurring items had been recognized for the water segment in relation to the recognition of tariff adjustments from previous years. The operating profit came to 387 million euros, slightly down compared to 2014, due to high amortization and depreciation charges on significant investments made in previous years. The effect of amortization/depreciation was partially offset by a reduction in the write-downs on receivables, due to improved receivable management. The net profit amounted to 175 million, up 8% on the previous year. In view of the results achieved, the Board of Directors has decided to propose to the shareholders the payment of an ordinary dividend of 0.50 euro cents per share. As regards capital expenditures, they amounted to 429 million euros in 2015 compared with 319 million euros in 2014: in the water sector they increased by 37% on 2014, in the networks segment by 28%; in the environment segment they almost doubled and they increased by 55% in the energy segment. 84% of the capital expenditures incurred in 2015 concerned regulated activities, and therefore, the regulated businesses. From a financial standpoint, net debt at 31.12.2015 amounted to 2 billion and 10 million euros, a decrease of 79 million euros compared to 31 December 2014. The positive change in debt confirms the improvements in working capital, especially due to the improved performance of the company in the management of the billing operating process and in receivable management. The ratio of net debt to EBITDA fell from 2.9 to 2.7 in 2015. Of course, for companies comparable to Acea, for which the regulated businesses account for such a relevant share of the overall activity, this ratio is typically greater than 3, and in some cases it reaches 4. Thus, the financial structure is solid: the debt position is mainly long term with an average maturity of about seven years; 72% of borrowings are at a fixed rate with a global average cost of 3.3%. The working capital optimization process, through improved debt collection, which

started in 2014, led to the achievement of significant results in 2015. Receivables were reduced by 8% compared to 2014. As I said, these improvements result from the optimization of the company's operational capacity and of its billing and receivable management systems. We also introduced significant changes in how we select the company's customers, especially in the free electricity sales market, introducing specific customer rating mechanisms when accepting new customers; as a result, the company can select and sign contracts with customers whose ability to pay bills is in line with the risk profile that we believe the company should continue to have. Turning to the main business segments: the environment segment generated an EBITDA of 57 million euros, an increase of 5% on 2014; the EBITDA increase reflects the greater amount of energy produced by our plants, in particular those of Aria, what means that the operational efficiency of the plants is improved in terms of production hours and ability to produce electricity. This partially offset the down-time of our Kyklos plant since July 2014; recently, in late December, the plant was released from seizure. In 2015, we processed 765,000 tonnes of waste and produced 265 GWh of electricity. Capex almost doubled and, during 2015, we invested 26 million euros in the environment segment. The energy segment contributed 15% of the Group's margin; EBITDA for the segment however declined by 3%, to 108 million euros, also due our customer selection policies and our objective to improve the quality of our customer base. The company is focused on optimizing the customer portfolio; this has a very positive impact on credit quality and the ability of the company to reduce working capital, which we need to fund this very important activity; in the company's history, this activity has always been a weak spot and from a certain standpoint out of tune with the company's profile, which achieves 74% of its EBITDA in the regulated activities, characterized by a much lower risk profile. Nine TWh of electricity were sold to approximately 1 million 400 thousand customers; Capex in this segment - especially in billing systems - increased by 55% to 31 million euros. Continuing with the Water segment, this accounts for 42% of the group EBITDA. The margin increased by 6% to 311 million euros, essentially due to greater efficiency of operational processes and the contribution of the companies we consolidate using the equity method. These effects more than offset the negative impact from recognition of non-recurring items in 2014, and in any case enable us to record a higher operating result of the water segment. Capex in the integrated water services segment amounted to 204 million in 2015, up by 37% on 2014. Let's now examine the networks; as you know our company manages the electricity distribution service under concession, in the Rome area; the networks EBITDA stood at 256 million euros, an increase of 1% on 2014, reflecting greater operating efficiency achieved in the course of 2015. The Networks segment thus accounted for 35% of the EBITDA of the whole group. 11 TWh of electricity were distributed and 156 million were invested in this activity during 2015. Let's now analyse the business plan that the company approved in March of last year, upon approval of the financial statements; this plan helps us better understand the objectives of the company, which were pursued by the management in the course of 2015 and which will continue to be pursued in the current year. We will continue to invest primarily to increase our waste processing capacity and, therefore, we will continue to invest both in composting and "Waste to Energy" plants, we will improve the repowering of our power plants; we are also working on our important programme defined "Acea 2.0", for the digitalization of our processes, the re-engineering of the company's operational and non-operational activities. As a result of this, as we will see, we will achieve significant efficiencies, through the reduction of the

operational costs incurred by our companies in the provision of services. The business plan was obviously presented to the financial community over the course of several meetings, as I will explain later; the financial community has generally positively viewed the plan's focus on the regulated business and organic growth, primarily based on the achievement of greater efficiency. The strategy of this 2016-2020 plan concentrates the activities and, therefore, the focus of our companies, on the production of value from regulated activities; therefore, 74% of our results will continue to come from companies that provide regulated services: electrical distribution and the integrated water services. We consider technological innovation to be another pillar: the vision that underlies the entire business plan from the standpoint of innovation is that these companies - that run monopolies - historically tend to benefit from a monopoly position which does not expose them to the pressure that comes from natural market competition and therefore, they often disregard the use of the technological innovation lever as a way to make processes more efficient. On the contrary, we believe that this should be a fundamental pillar and we are investing heavily in process re-engineering with a view to change the way of doing things; we feel that this approach satisfies the interests of both the shareholders in terms of value creation and of users, as these interests will increasingly coincide with efficiency and quality services. The focus on the creation of shareholder value is very strong; already with the plan approved last year we introduced a dividend policy, known to the market and confirmed with the approval of the last plan, according to which, as the Chairman announced, growing dividend distributions of between 3% and 6% are expected, and which indicates a prudent dividend payout, to also contribute through this leverage to finance our investment plan by between 50% and 60%. The plan does not envisage any extraordinary Merger & Acquisition (M&A) transactions, although in this area the company is well positioned and therefore has some opportunities, which, however, we have conservatively not included in the plan submitted to the financial markets. The company's general strategy for the presentation of its plan tends to strengthen the profile of a company that manages regulated services, which therefore invests in assets with a low risk profile. The plan is focused on these activities, which means that of the 2.4 billion euros of investments planned between 2016 and 2020, about 80% is expected in the regulated activities, i.e. essentially in the companies managing the water service and electricity distribution. This helps strengthen the profile of a company that is committed to invest and strengthens its safe approach to investment policies, thus favouring relationships with investors within this framework. The target EBITDA for 2020 is to reach a margin of 890 million, an increase of 4%. To this end, we planned 94 million in efficiencies during the Plan horizon, which of course will be ramped up over the period, reaching an annual basis of 40 million euros of cost reduction in 2020. The ratio of net debt to gross operating margin will thus reach 2.5 in 2020. This means that this plan covers the entire investment plan and the planned distribution of dividends, substantially reducing debt through value creation. This plan was presented to the financial community which has generally appreciated the focus on regulated activities and the approach of a company that puts great emphasis on its low risk profile. From interactions with the markets, two indications of the financial community clearly emerge, which I hereby report to the shareholders: first the company's free float, which is traded daily on the market, is considered low, and this is an impediment for investors who are interested in investments that can be acquired and sold in a short time; the other element is that the company is exposed to risks arising from the cyclical nature of politics and

therefore of electoral cycles that affect the majority shareholder. Let's now turn to the Acea 2.0 program. The program we are implementing has an impact on all our customers, all our plants, the electricity and water network, affects 7,000 employees in the group and is essentially based on some pillars that we are pursuing in the digitalization of processes: ensuring maximum consistency of information systems, thus enabling the use of the same data in all relevant systems, from the mapping system to the CRM system, pertaining to relationships with customers; systems that can operate in real time: limitations that until a few years ago prevented the operability of information systems in real time have been eliminated and machine computing capacity is increasingly more powerful; another pillar is the use in mobility mode. This enables the implementation of entirely new operating models and disrupts the organization's way of doing things, using the lever and the advantage of technology and the systems' ability to operate in real time and to use data that are consistent and compatible across systems; traceability of our activities in mobility, also leads to process optimization, cost savings and improved results in terms of operating performance. This is the application map:

we completed the digitalization of business processes, then we focused on how to do things in the company with the characteristics that I mentioned before; the go live has been completed for the water distribution, energy and public lighting companies; therefore, the whole operating process is monitored in real time in its various phases. This activity will be completed with the go live planned for the next month of July, when we will replace the billing systems for the electrical distribution and protected sale areas, thus completing the systems replacement process, and when this digital process will be made available to end users through an ever closer interrelation with the operating process that takes place in the field. This will enable the company not only to work more effectively with these systems but to offer a more transparent service, enabling all those channels that are now used by citizens and users for the most important services.

These are some of the details of what has happened since September: we have changed 19 information systems including billing systems, we have already issued 1 million and 800 thousand and we have collected 1 million and 350 thousand invoices; this means that the billing systems - as a result of migration from one system to another - inevitably tend to create problems, as it was also the case with ATO 2, but this is an extraordinary operational success as it did not cause any slowdown in our billing, and network maintenance and management activities. Today, we have 1,250 technicians in the field, who have begun working directly from home and receive work orders on a mobile device. Their activity is managed by a control centre that can monitor their work in real time. As a result, all the monitoring activities related to security matters and to the relationship with the companies that collaborate with us, are now fully digitized and can be included in the operational processes. Among the elements of efficiency, the use of vehicles has already seen an improvement in these few months; the increased productivity that derives from this type of operating mode - which exceeds 30% - is addressed to internalize activities. We are therefore re-internalizing activities; in other words we use fewer external suppliers and have those activities managed by our employees. The model we are trying to achieve with our resources enables everyone, with greater flexibility, albeit with the burden of having to change job, to grapple with completely new activities, thus redeploying all our resources. Over the coming months this re-internalisation process will continue; we have very specific programs and the efficiencies we promised to the market will be

implemented as follows: by reducing external costs and by carrying out more and more activities with our own people. We are already doing this in the security and Engineering areas, in call centers, in all customer care activities, which the company had partially outsourced over the years. In July, a very important step will be made, as we replace the systems that issue the bills for one million and 400 thousand users of electricity, with new systems, perfectly integrated into the overall digitalization strategy; this will enable completely different processes and will overcome the fragmentation of systems, the incompatibility of which was the cause, over the past few years, of much of the difficulties in issuing timely bills, therefore leading to adjustments, with bills that inevitably had to catch-up with significant periods. This is a significant step because it structurally overcomes this issue with which the company has struggled in recent years. On this occasion, the connection to the customer of this completely different mode of operation will be opened which will provide the company with a unique view of the customer, be it in the water or electricity segments or a citizen who reports a fault on street lighting. This will be implemented as of July according to a multi-channel approach: if a customer starts an activity with the call centre and then wishes to continue in web mode or vice versa, or with an app, he/she can do so and all his/her history will be retained. This will enable the company to use this enormous wealth of data, which is now disconnected and, which, on the contrary will become increasingly integrated, for the benefit of better management of relationships with customers, operational efficiency and greater effectiveness including of our receivables and of our relationships with customers. Customers will have greater access to our processes for example, as regards quotes and faults on the network; scheduled times and modes will also be made available in real-time, which concern our technicians in charge and therefore the progress of operational activities in real time. In the water segment, this digitalization process has been implemented together with the companies that we indirectly control and those that we jointly control with other shareholders in Tuscany, Umbria and Campania. We implemented it by engineering the business processes in the same way as we have done in Rome, Florence and Naples. We have implemented a fully integrated information system operating model that enables us to do things the same way in Rome, Frosinone, Naples and Florence, by using the same information systems on the basis of the same processes. This is a huge benefit for all these companies and for the Rome management as well, because it allows us to constantly re-engineer processes, always identifying the most effective and cheapest ways to manage our activities. For Acea it is also a huge advantage because it is an important asset for growth, which enables the group to propose itself as an effective operator for new concessions and to achieve operating efficiencies in all additional operations it will take on in the future.

Let's now turn to the performance of the stock, which since the beginning of 2015 until last 15 April grew by nearly 60%. It was one of the best stocks among the utilities, perhaps only Iren performed a little better in the same reference period. The minimum price in 2015 was 8.90 euros, the highest price achieved was 14.25 euros on 21 March. Until today, the stock thus performed strongly both with respect to the market in general and with respect to its peers. Recently, the stock has been mildly affected by the instability of the market, which of course will be resolved in the coming months; it will thus be positively regarded again, due to the company's fundamentals that are very positive. As I said, the market essentially pointed out these two elements: first and foremost, the lack of free float, i.e. large investors, large pension funds that would be interested in investing in a company

with such a significant share of regulated business and with, therefore, a stock with a stable performance, are hampered by the low free float. The other element is perception: a company that is forced to manage the so-called political risk. The rating agencies' opinions have remained stable and have improved in terms of outlook. Just this week we decided to suspend the Standard & Poor's rating, in the belief that for a company the size of Acea and for reasons of costs two rating were more than sufficient; in addition, we felt that the methods of analysis, especially of this agency among the three following us, did not fully capture the complexity of our business and the improvements the company has made over the past years. Thank you".

The Chairman takes the floor again and proposes, unless otherwise request, to omit reading out the Board of Statutory Auditors' Report of 6 April 2016. No one objects.

The text of the Statutory Auditors' Report will be attached to these minutes as it will be specified later.

The Chairman then notes that the accounting firm Ernst & Young S.p.A. has issued an unqualified opinion on both the financial statements at 31 December 2015 and the consolidated financial statements at that date, as evidenced by the reports issued on 6 April 2016, as well as an opinion confirming the consistency of the directors' report with the financial statements at 31 December 2015, and an unqualified opinion on the disclosures referred to in Art. 123-bis, paragraph 1, lett. c), d), f), l), and m), and paragraph 2, letter b) of Legislative Decree no. 58/98, included in the report on corporate governance and ownership structure.

With reference to Consob communication no. DAC/RM/96003558 of 18 April 1996 as amended, she informs that the mentioned accounting firm Ernst & Young S.p.A. has notified the number of working hours spent and the corresponding fees billed to our company for the appointment to audit the financial and consolidated statements:

Financial statements	2,400 hours
Amount billed (inclusive of quarterly audits)	120,347 euros
Consolidated Financial Statements	700 hours
Amount billed	22,913 euros

These amounts are to be considered net of VAT and expenses.

The Chairman points out that the annual fees specified above do not include the Consob contribution.

The fees for the consolidated financial statements include those for issuing the opinion on the consistency of the directors' report with the financial statements and those for the opinion pursuant to Art. 123-bis of the Consolidated Finance Law (TUF) on the Report on Corporate Governance and Ownership Structure.

Pursuant to Consob Issuers' Regulation, a schedule of fees for the year, paid to the auditing firm and the companies within its network for services provided, respectively to Acea S.p.A. and its subsidiaries, is attached to the draft financial statements and to the consolidated financial statements of Acea S.p.A.

At this point, the Chairman declares discussion of the first item on the agenda to be open, asking those who wish to speak to give their name to reserve the right to speak, and once again requests that speeches be clear, concise, pertinent to the

subject of the item on the agenda and limited to a time of 10 minutes, without prejudice to the right to a subsequent reply which should be limited to 5 minutes, in accordance with Meeting Regulations in force.

It is then acknowledged that shareholders have reserved the right to speak and will be called to the podium according to the order of booking.

The Chairman therefore calls upon the shareholder Franco ANGELETTI, holder of ten shares, to speak:

ANGELETTI "I am the shareholder Angeletti and I speak on my own behalf. I extend my greetings to all participants. I would like to make two small observations, at the entrance we were super-controlled for security reasons, but for security reasons you put a metal detector, like Enel and Eni. What was the purpose of such loss of time? I could have two guns in my pocket, I could have the car full of explosives, what was their reason? I spent a quarter of an hour there to qualify myself. Another observation, the board member Caltagirone, whom I never had the pleasure to meet, has never come to this meeting. For years he has not participated at the meeting, I hope he's all right, that he does not suffer from any problem. Give us a picture of these people who do not come at meetings, they are always the same and we would like to know them visually, their body, their face. I have been at Unicredit, all the Board was present, there was an empty seat, Alessandro Caltagirone, the brother. What is this, does it run in the family?

Due to the concentration of meetings in a few days, in Rome today there are three important meetings. Can't you talk to each other? There are ten major companies in Rome and three of them meet on the same day, today there are Finmeccanica and Raiway. Is it so difficult to agree on the dates and hold the meetings on different days.

I could only quickly read the documentation available on your website and there are many pages. In the letter to shareholders all is rosy, profit increased, dividend increased.

But I found some data that puzzle me; the first thing I read, was the consolidated income statement, net revenues are down. Shareholders' equity, one billion 596 thousand; non-current liabilities 3 billion 258 thousand; energy sales down 10%; energy generated by photovoltaic plants, down 29%; receivables sold on the rise, the latter transaction is not free of charge, every 1,000 euros we sell, how many do we get? Costs of materials and overheads, 2 billion.

Another point, Acea stock, in the letter to shareholders the 60% leap in 2015 is rightly emphasized, almost 60%; it is undisputable. But simultaneously I point out that on 9 June 2014, the date of your appointment, the stock was priced 11.11, on 31 December 2014 the stock price was 9.11. This was not said. Compared to a year ago, 28 April 2015, the stock has lost 9% if not more. Finally, on 1 January 2016 the stock price was 14.20, today it fluctuates around 12.50 and this is the truth.

The antitrust authority has fined the Acea for 2 million euros for malpractice. Here is the sentence of the resolution: in the opinion of the Authority, this conduct is characterized not only by lack of care but also by aggressiveness, that is, such as to exert undue influence on the consumer, or to obtain payment of amounts not corresponding to actual consumption. Serious inertia was also detected in the handling of complaints and in replying to requests for services from consumers. You lodged an appeal, there will be an appeal, the question is this: if the fine is confirmed, who pays? Will those responsible be identified? In Italy, we seek but we never find those who are responsible.

According to statements of the management, by reading the press, it appears we are interested in the broadband market, let us remember the bloodbath this company suffered in the UMTS competition with Atlant, which was fully written down in 2003. Are you sure of what you want to do?

Casa dell'Acqua (Public drinking water dispensers), 7 October 2014, the Acea website displayed "fresh and sparkling water dispensed free", it is true, "savings of 130 euros per family per year", I would like to find a family that saved 130 euros in Rome, if to get a jug of water you have to make four kilometres, how much does it cost? I am going to get champagne. Of the 60 fountains planned in Rome, how many have been installed?

Again reading the press, Mrs. Carlotta Ventura from the Telecom Italia Group has recently been appointed as manager of external relations; she is not here, that's a good start; I welcome her, although I don't have the pleasure to see her. She has a very good resume and I hope she will be doing a good job. Already not seeing the Police or the Carabinieri in turn in the public hall to placate the anger of users would be a success.

I wish her good luck.

Cura Kotter, the business innovation guru, is succeeding?

I find the expenses for these golden advices too expensive. In this company, the revenues from the water sector are obtained in a monopolistic regime, there is no competition from the market; where there is competition, as in the electricity market, you sell less. Finally, I hope, given the many announcements made on the environment subject, that our company strengthens its role by providing customers with the necessary information for responsible consumption of its products, by linking the variable part of certain high remunerations to objectives set in terms of environmental results, such as the reduction of CO2 and the rate of renewable energy production. Let me recall: photovoltaic down 29 %.

I thank you for your attention and have a good meeting”.

The Chairman calls upon the shareholder Raffaele BARBAGALLO, holder of 350 (three hundred and fifty) shares, to speak:

BARBAGALLO:”Good morning to all those present at this meeting. Many of those present know me, I am Raffaele Barbagallo, a small shareholder of ACEA, for which I have worked for 40 years as employee, manager and as head of service of many departments. Although I have no political affiliation, I am not unionized, let alone having parental credentials, I've made a brilliant career marked by cultural growth, obtaining two degrees and two specializations, one of which in trade union and social security law as worker student at the University of Rome La Sapienza; I participated in personnel selection competitions, against other colleagues with excellent professional preparation; I have always been unconditionally willing to take positions that could be risky for my personal physical safety and that of my subordinates in difficult environments. I was lucky enough to experience intense periods of work in Acea, where the management and the leadership were of the highest level both professionally and in terms of human relations.

The active participation and sharing of directives and objectives to be attained did not need scientists, strolling players in carnival costumes, cooking contests and other amenities, and even less of paratroopers from sectors that have nothing to do with the core business of Acea spa. It is difficult to deny by anyone that today Acea is afflicted by blatant operational failures, as witnessed by the crowds in the public hall in Piazzale Ostiense, by administrative and technical procedural



malfunctions, depletion of its professional know-how resulting from expulsion from Acea's workforce of precious and proven professionals in all areas. This depletion, that was initially occasional, has now become systemic, and could be further carried on these days by putting forward various financial and organizational justifications. Inexcusable length of time to implement an information system for the utilities, which has always been troublesome and repeatedly sanctioned by the authority. It certainly cannot be asserted that with the achievements made so far the company has obtained a general involvement, as in Acea SpA there is a lack of aggregating, charismatic and influential persons. With just yes men, the Board of directors' and the CEO's plan is doomed.

Esteemed members of the board and CEO, the acceleration of lay-offs that you intend to put in place looks like a spoils system, as no consistent criteria in the selection of candidates for lay-off can be detected; a spoils system that, I do not rule out, may trigger individual legal actions if not a class action to obtain the reinstatement of the dismissed workers, if not compensation for the non-pecuniary damage suffered.

Likewise, it cannot *a priori* be ruled out that the Rome elections will lead to a new government majority that, maybe, is determined to wipe out the current board of directors and the CEO, that is, a spoils system completely identical to the one put in place in meetings similar to the current one by Mr. Marino, an event I had never seen in my 40 years in Acea, inspired by political motives. Accordingly, entrepreneurial moderation would be in order when undertaking medium and long term commitments with partners of greater entrepreneurial and industrial calibre than Acea Spa. This is also because the human resources policy implemented, burdened by this disturbing professionalism, would be to embark new ones at the place of those destined for lay-off, which would definitely bring the Acea's boat to a halt and then to its final sinking, 2.0 my foot!

Mr. CEO, I don't think you have forgotten the brawl that marked your candidacy as CEO, and which saw Mr. Marino participating at the meeting as holder of the majority stake in Acea S.p.A. which, mind you, unlike other listed corporations is owned by Roman citizens for 51% and by private owners for 49%, owners who, as the person speaking before me pointed out, never attended any meeting.

It was objected that you lacked a university degree, which would have strengthened your managerial skills, irrelevant in your case as you come from a company operating in an area that is less than the average area of each municipality of Roma Capitale.

About the other data, what can I say? Mr. Irace, CEO, you joined Acea when the company had already started the dramatic lay-off of talented employees, guilty only of being professional and experienced for participating in repeated reorganizations or in new objectives, whether business or corporate. Employees who had been systematically trained in-house without resorting to expensive consultants, as if those already engaged, I would say for a long time, in the implementation of the computer system for utilities were not enough; a computer system which, so far, is not even in full operation for cemetery users where, I venture to observe, there are no complications regarding consumption indices and rates. Each of them is 24.92 euros, all the same. In no company are employees with proven expertise wiped out without worrying about suitable replacements, especially when the products you sell remain the same and the results to be achieved are no different from those of yesterday.

The asserted necessary involvement cannot in my view be entrusted to a long-term futuristic technology, as that shown in the slides, given also the questionable recruitment of the required human resources through the local delegates.

Esteemed members of the board and Mr. CEO, the aim to review the current costs of the company is certainly appreciated, and I think I have suggested where to start this exemplary reorganization work even before you venture in the announced inter-regional shopping and joint ventures, it must focus on the Lazio region, as the results of the two subsidiaries in the Pontine and the Ciociaria regions cannot be regarded as optimal.

On 15 April 2016, I am writing this speech in order to learn it by heart to the extent possible and refine it, if need be. On 17 April, the Italian citizens will be called to express yet another referendum vote, the outcome of which does not leave me indifferent and I learn with amazement, the an incomprehensible but substantial and unconstitutional invitation not to vote is spreading. While the Italian citizens, including Acea's employees and their families, as well as the well-deserving former employees of the Acea gold medals association, instrumentally ignored by the senior management, are called to speak out against fossil pollution, the current board of directors and the CEO of Acea did not seem to notice the departure from Acea spa of an excellent technician, of equally excellent professionalism in the alternative energy sector and a man of great refinement, Mr. Piacenti. I humbly apologize to Mr. Piacenti for mentioning him here, I express my best wishes for a successful career and true recognition as well as my sincere praise, which will be shared by those who knew him. Good luck Mr. Piacenti, I saw in you a manager of the same calibre as those of my, and our Acea, the municipal company of my now distant youth. Thank you all."

The documents concerning his speech are handed over by Mr. Barbagallo to the Chairman's table. The Chairman collects the same and registers them with the corporate deeds.

The Chairman calls upon the shareholder Maurizio Martini, holder of one share, to speak:

MARTINI:" Good morning everyone. I was forced to buy one share in order to participate in this meeting and speak directly to Mr. Irace, who has known me for a long time by letter, along with his secretary, Ms. Pisano, the complaint manager of ATO 2, Ms. Atzori , and numerous other people of the call centre with whom I have spoken dozens of times in recent years. Why? Because, silly me, I did not understand the reason why every time I received the bill, like many other people, as I later ascertained, although I had notified through the Internet, by phone, certified emails, the meter readings, even sending photographs of the counters of the meters for utilities in my or my family's name, the amounts invoiced were always "estimated." And this is the word that these people have to be grateful to, the word "estimated."

Let me make a short introduction. I retired recently after nearly 42 years during which I was a bank manager; and I sailed the sea of financial statements, financial statements analysis, the ways in which customers submitted their accounts. The answer to Acea's financial statements was given to me by Mr. Irace with his slides; this is how I realized what is going on. The financial statements presented in this manner are always apparently rosy, thanks to a little word, "estimated", estimated consumption. Why actual consumption is not billed? Because, in this manner, by invoicing estimated consumption, they generate a fictitious cash receivable, without providing guarantees to the banking system, without reports in the Central

Credit Register, without exposing the company to the actual financial statements data, because the heart of the matter is all there, it's the user. How much did users consume? How much does he pay? What happens to this money? I am not going to bore you with a detailed financial statements analysis, as 99.9% of you would not even understand the beginning of my speech, not because you are stupid but because everyone has his own job. One is a doctor, another one a sweeper, a plumber, another job, you are the shareholders, in one way or another you have put money in the hands of people; the other reply to why things have been presented this way is when he listed the composition of capital, the breakdown of the shares, it was enough, that really was the icing on the cake.

Now Mr. Irace I ask once again, this time at the shareholders' meeting, what I have been asking for years: what should I do to be able to pay what I actually consume; there are many others like me, dozens if not hundreds, we are becoming an important number of users who are tired of indirectly and covertly funding the company; legally, you would say, those financial statements that do not correspond to reality. This is why I will not approve these financial statements, because I would feel complicit; these are not financial statements, these are financial statements tied to one word, not to results, to commitments, to a job. No, just a little word, "estimated", if that word, estimated, disappears and actual consumption is that invoiced and paid the company would present bankruptcy accounts.

If anyone, as they say in "Striscia", which I hope will get involved and we are already at a good point in this regard, along with Rai Report, has anything to say, as they say: we are here. Let me talk to the technicians, it's going to be fun, we compare the financial statements data, but always keeping in mind the word "estimated", I have a long list of operator codes, dates, times and reading communications not only of meters in my name and my family and loved ones, but at this point we are almost hundreds of users, we are fed up. Then, that there are political manoeuvring, because as mentioned, and I agree with him, but even more I agree with Angeletti, whom I don't know personally but I met him here, I had to buy a share that I would never have bought, because I do not trust a company that has financial statements that are not based on actual results but on a word, "estimated." Strike-off the word "estimated" and then redo the math. Thank you".

The Chairman calls upon the shareholder Federica Daga, holder of ten shares, to speak:

DAGA:" Good morning everyone. First, I would like to thank the three previous speakers, because their speeches were really heartfelt and give an idea of what was once this company. Many small shareholders of this company are employees or former employees of Acea, in essence they are ordinary citizens, not customers, who still care about the performance of this company and still consider it as their Roman Acea "mom". This is the first year that I participate in the shareholders' meeting of Acea and it is the first time I participate in a shareholders' meeting because it seems that in order to participate in decisions that affect all citizens of a city, or many cities, the only way apparently is to buy some shares and thus be entitled to express one's doubts, questions, or whatever one considers a good solution to improve the performance of this type of company. This decision was not easy, I mean, to buy even just ten shares, since I consider it absurd that a company that provides an essential service such as the water service, we are talking about water, in my opinion shouldn't even be publicly traded or owned by economic or financial powers that use bills as if they were a cash dispenser. The people who pay the bills are not customers. Words are important, probably

everyone has a different view or a different interpretation of these words according to their background, or the purpose they have in their daily actions. Calling someone who pays the water bill customer does not make much sense because this customer unfortunately cannot choose the water provider that supplies water in the taps. This is now possible for energy, because I can choose my energy operator, because there is this market and it seems that the market somehow decides about the fate of citizens and users, of those who indeed pay the bills.

The management of the service to the citizens has deteriorated since this company has placed itself on the market. The market is something that we keep hearing about, the markets, which are frightened, probably in the morning they get up, eat breakfast, no one knows exactly what they are, and they are very sensitive if you don't approve the financial statements on first call as today.

This is the result of a discussion I had yesterday morning with the sub-commissioner for the subsidiaries of the Rome municipality; from this discussion it appears that the Rome municipality has 51% of the shares, but in practice it decides essentially nothing, because this is a private company, period. Then, let's buy the shares in order to be entitled to speak.

I am going to read part of a book that gives a little the idea about these markets. Already in 2007, the need for a national regulatory change was envisaged - we are talking about the law on water - which would mark a radical departure from the policies approved across the board in the past 20 years, which have turned water into a commodity and have considered the market as the point of reference for water management, causing degradation everywhere and waste of resources, job insecurity, deteriorating service quality, increase in tariffs, reduction in funding for investment, management diseconomies, expropriation of collective knowledge, lack of transparency and democracy, that is, the total failure of the targets promised by an incessant communication campaign that praised the benefits of privatization or the so-called public-private partnership which would amount to more quality, greater affordability and higher investment, which in practice have proven totally non-existent.

I am reporting here the investigations made by some groups, including my political group. Right now we are being accused of European infringement with regard to water purification and sewage. The Ministry of the Environment has placed some water treatment plants under administration by a commissioner; apparently, 101 million euros included in the water tariff by Acea SpA, essentially end up in this administration, therefore 101 million euros included in water bills are for works that have not been completed, precisely the works for purification and sewage. On this aspect I ask a question: what happened during these years, because anyway these 101 million euros were included in the bill, and what does the company intend to do to overcome this problem? I imagine that, with these kind of data, the market will be a little bit frightened.

We were talking about job insecurity, and the outsourcing of all services, of major contracts, of the "big contracts" as they are called, which are causing job insecurity and an internal condition of workers marked by lack of serenity. Probably, this Kotter plan has not been well received, or at least it was not designed well, I imagine, but workers were absolutely not involved in this change of business performance and its consequences, therefore they have suffered a series of vexations; probably it's not what the central government wanted to achieve but in the end this comes from the leadership. There will be 350 redundancies in ATO 2 SpA, a total of 800 redundancies in Acea. Workers with the same tasks but with different contracts and pay; we note that there are 500 consultants that clock in

every day and cost around 200,000 Euros per day. The SAP implementation is expensive, but 50 million euros a year I think is too much. There are a number of expenses, we talk here about the deterioration in the service provided to citizens: to transfer an electricity contract Ms. Maria has been waiting for five months and had to make a reminder, someone took two years to transfer a contract. Luckily she did not change home before, otherwise, maybe the transfer would have taken two additional years. On the contrary, as regards the water service, there are continuous disconnections, without the prior notice of 30 days. So it seems a little bit like the Wild West. This is the deterioration of the service to the citizen and a negative perception of the Acea brand by citizens, which could also frighten markets.

Several complaints and reports have been filed with the judicial authorities regarding false accounting, regarding, for example, the Terni incinerator for part of the revamping, which resulted in the recognition in the financial statements of green certificates for about 4 million euros this year, which have not yet been disbursed by the electricity service operator and not even requested until December of last year, we are not sure they can actually be disbursed. We have extreme difficulty in communicating with the company, lack of transparency in this regard, we have set up six board and parliamentary committees and several accesses to the documents which were left without replies.

The issue of the "big contracts", for 20 years contracts have been awarded always to the same companies and these things don't go unnoticed, and some of the entities are actually under investigation for extortion; last year the same entities have again won a contract of 95 million euros and now they are included in the "Panama Papers". I think that this sort of things is not good for the image of the company. I wonder if indeed the market is not getting alarmed.

I have already asked the question on the issue of water treatment and sewerage. There is the antitrust fine, as mentioned in other speeches, for one and a half million, plus those of the other investee companies, such as Gori, this is a significant figure. This means there is no real customer care and Piazzale Ostiense proves it because every morning there are people taking time off from work in order to solve their own problem. Three million euros for the water kiosks, which really are not necessary, but we have seen that they are used by Presidents of municipalities to make some advertising campaigns.

The last thing I would like to say is that you will decide about the increase in the remuneration of directors, there is internal autonomy, this is something that is not well regarded by those who could then be the next directors.

I also know there is a whole series, sorry for the delay, of Acea payables. An article came out today: payables between 4 and 9 million euros to the municipalities of Sangro in Abruzzo. You have spoken about customers and things like that, but at this time the brand is not really well regarded by citizens, the fact that they hear an increasing number of people speaking Tuscan within the administration, really they would like to go back to a more Roman management and avoid this widespread web from central Italy and even from abroad. Thank you".

The Chairman calls upon Franco Di Grazia (representative of the ACEA Small Shareholders Association), representing 65,167 (sixty-five thousand one hundred sixty-seven) shares, to speak:

DI GRAZIA: "Welcome to the new financial manager and the new person in charge of the internal and external communication Systems, welcome to the MP Daga who took part in this meeting and to all those who have never come to the shareholders' meetings of Acea. It is not just a formal welcome, but it is a heartfelt welcome

because we, the small shareholders, have been involved for years: next year, it will be twenty years; from the time prior to the privatization and thereafter, we participated in all the meetings. The history of this company is part of us, and we never expected to find ourselves in a situation where the digitalization would solve the problem of services of this type. Unfortunately, I say unfortunately, the robot worker has not been invented yet, and as a result the essential services are being affected: water, energy, connections, repairs. There are thousands and thousands of protests received by the company. Estimates not made are rising exponentially - they have reached over 8,000 - there are people waiting for a connection for a long time, waiting for the service to be delivered and they are forced to make complaints, which are increasing exponentially. These are the facts, then, as regards the financial statements, I kindly call upon the management ... I bow before such great ability and skill, but you have the slides, you make a two hour report with the graphical presentation ... I will speak without graphical presentations, either in colour or black and white. To a former managing director, I said that we are a little bit fed up - it is on record - of the "copy and paste" slides, we had enough, we do not like them anymore; at this meeting we want to discuss about the real issues of the company management and of real results, because we are talking about essential services, but with well-defined characteristics. This has been perfectly understood by those who today have added the "crazy expenses" to the "crazy bills". That project that we had previously identified, included in labour costs, for which I asked for explanations and I was told: it is the acceptance by the authority to put a certain amount on bills so that we fund this future project, which in a very simple manner, Romans call "der penguino" (the penguin)... Then we had confirmation through the videos that are being circulated that they managed to make the guru, Kotter, speak, who thanked us because the only company that has adopted the system that he touted, perhaps with little success, is Acea. The guru is expensive, we do not know exactly how much, but we have the movie. But there is not only the movie, we also saw the movie of the works of the Roman history and the history of the engineers, operators, technicians, etc., as well as the highly skilled workers that have made aqueducts, pipelines, new aqueducts ... So much so that those engineers have done a project for which they have guaranteed that until 2050 Rome will be self-sufficient, that, even in case of drought, Rome will have water. It has the reserve tanks, it has the facilities to also handle the reclamation works of the city, that's why people get annoyed when they hear that the new "Bravi" are arriving, those who know how to fix things, who feel powerful because at the same time the new politics has managed to bring together those whom the Romans have not forgotten and who had already begun to cope with this situation, which was no longer the one that could guarantee the services, and they all got together. Among the appointees there are those who had to be got rid of and about whom Palazzo Chigi declares: we have chosen the best in the market for those companies that provide public service and that are owned by a public majority. Not only that. Rightly, the man with one share has come to represent an important testimony for the thousands and thousands of people who are affected by these shortcomings and the impossibility of even talking to someone, because the call centre is not working. Unfortunately, they are not professionally trained, they read what they see on their PC screen, and the PC does not solve anything, because if it cannot speak it cannot do anything. To my the hairdresser in the building where I live, I could not have his exact building number recorded. He was disconnected, because he did not receive the bill because the number was wrong. Before me, "number 21" was entered, after which the postman said: now I know, but there is still written 87. The other day I went to check, and they have not yet entered the correct

number 21. These are small examples, but we always leave a very detailed report on the three large books, we do not have the time that the CEO has, I believe this is obvious, because I represent quite a large number of small loyal shareholders, who survive and resist the harsh times. Therein, there is a series of transactions that I will report. You have done very well, it was like being in a Goldman Sachs' meeting: I ask the management to set up a meeting in which all parties can compete with colour barrels, otherwise we do not understand each other. A little bit because of the English, a little bit for other reasons, because the presentation is estimated ... There are presentations of what we have not collected thanks to the support given to Acea: Acea is supported by the government and the authorities, which rather than authorities are regulators. The financial statements describe a whole series of issues, where money is recovered, collected through the bills, because we are good and because we have to deal with situations of bad debts, delinquencies that are being reimbursed. All this is described and we have listed it point by point. So, what we have been presented through the barrels is not only not true, not only is an estimate, but it shows that the stated trade policy is a failure, a policy that says: I select the good ones and leave the others, so much so that the result is this: the result is negative! In the electricity business we lost over one million euros because users have left, not because of the new policy we have put in place. We are losing users every day. Those of the water service are "prisoners" and we have to thank them and give credit to the authority that has taken action and has imposed a penalty; the only regret is that the penalty is not paid by the manager who runs the company but, as always, it is paid by the citizens. This is the antitrust authority, the market control authority, that bludgeoned us strongly and, through the investigation and the inspections carried out, it has listed and demonstrated, and has not accepted the proposals that were to calm the situation, because obviously, when a company receives this kind of stuff it immediately says: I am going to appeal to the Regional Administrative Court, and then we'll see. What's going on? We are saying: thank goodness, there is an authority that has got the clear picture, has sanctioned Gori in Naples, sanctioned companies in Lazio and so on. Watch out, in recent days there is news that the Energy Authority has taken action, which is preparing an explanation, almost an official memorandum for the Antitrust Authority, to demonstrate the regulated systems ... But in this way, this country is not going forward and it will not go forward if we do not unveil the financial powers; it is something that affects us all: workers, employees, housewives, everyone."

At this point, the Chairman asks Di Grazia to conclude his speech as the available time has expired.

DI GRAZIA. "I conclude quickly, in any case I will give the written text, so I ask a reply on all points. Those 66 million for the Acea 2.0 project are spread over other group companies, each company must make its contribution.

I close with this last consideration: this task is not a simple task, because the thing that we do not like is that in this country there is no authority worthy of the name, while this country would have the resources to overcome the social, financial, economic crisis that we are experiencing: the savings of Italians. But Italians no longer have trust. I had trouble in the past few days to collect the proxies, because since banks are all under stress, they have to recapitalize, merge, etc., they had difficulty in giving us the certificate immediately. So, we need a true authority; we, as small shareholders, have also written to the President of the Republic. We do not want to become British or American, but at least very nearly. Chairman, I will close with this comment: I saw the website of your firm and the questions that were asked to your firm. Correctly, the firm replied to certain questions in another type of

financial countries, by answering "this is irrelevant." On the contrary, here, everything is formal but we have no real authority. We cannot go on like this. I wrote to the President of the Republic saying: in all these years we have failed this task, we could not get it. This country will come out of trouble if depositors regain confidence and to regain confidence we need an authority worthy of the name, and directors who pay for the damage they cause. Thank you".

The documentation accompanying the speech of the shareholder's, Di Grazia, is delivered to the Chairman's table and filed with the company records.

The Chairman calls upon the shareholder Luigi Chiurazzi, holder of 50 (fifty) shares, to take the floor.

CHIURAZZI : "Mr. Chairman and Shareholders; we are 13 shareholders, I am accustomed to these figures; on 9 June 2014 I had the satisfaction of obtaining the dismissal of the old Board of Directors together with Mr. Ignazio Marino, whom I've known right here. I congratulated him, a year earlier, because the year before he had come by buying one share; but, at that time, he was a candidate in the mayor's election. After the congratulations, I said, what will you speak about today? I ask for a postponement of one month after the elections. This is logical, rational, do it because I am going to make a speech as well. However, he made this request, put to a vote, and we went down. Then he made the proposal to reduce the number of directors from nine to six, put to a vote, and we went down. Then he made a proposal to cut costs and we went down and so I said, nice to meet you, I wish you good luck with the elections. After a month he was elected. Then I asked him, we will be at the meeting next year? He told me: yes. This is enough for me, I did not say anything else. A year went by, and the April's meeting was not held. There were appeals to the Regional Administrative Court and stuff like this. On 9 June 2014 he came. Good grief! Excuse the expression, but it was a huge satisfaction, I represent the Italian Association of small shareholders, APAI. I started this thing many years ago when, at the Shareholders' Meeting of Telecom Italia in Milan I met Beppe Grillo and I said: since you say the same things that I say, please give me a hand, I am a simple university professor of financial and actuarial mathematics. The chairman of the Board of Statutory Auditors knows me very well, they all know me, I wrote all these things on the Internet, on my Blog. I didn't hear from anyone.

The fact is that on 9 June 2014 the Board of Directors was renewed, wishes and congratulations to Ms. Tomasetti to whom I extend a greeting because I think I have helped. Everything was changed, the number was reduced from nine to six, then I do not understand why they went back to nine. Then - something very important - the remuneration of the Board was reduced by 70%. This is all written on the Internet. I now come to the friend who spoke just now, and whom I know quite well: this is a general subject. You might say, but this has nothing to do with the ACEA financial statements. It's not so; because, Honourable MP, the issue on Supervision can only be addressed by you and only you, because when we refer to the law no. 58 of 24 February 1998, which has complicated the whole system by adding a remuneration report that is useless ... Because we are "buffoons", we are only called to approve the first part of the report and we count for nothing, not just here, throughout Italy. Consob has done nothing. Just see the capital increases made by Saipem: it's a disaster! They robbed us! I've lost 90% on Saipem shares, I risk my capital and I want a supervisory body that gets inside to look at these things. Let's get back to ACEA. I am not going to tell you that today I should be in Trieste at the Shareholders' meeting of Generali, where I systematically go every year, then I should go at Finmeccanica, where maybe I will go after this meeting. If you see here



the agenda, it seems it has been copied and pasted: the same old things. Decisions on the purchase of own shares, decisions on how to distribute them and how to distribute stock options and even stock grants. The other day I went to Atlantia: free stock grant. Gentlemen, the money is ours, we are diluting the share capital, we have to take action! So dear Chairman, you go ahead, we are the cause of our own misfortune. I understand the issue of the room reading in Piazzale Ostiense. Here, there are some problems, but let's not get hurt, beware! Because, if instead of having bought shares of Generali or Atlantia, I had bought these shares, now I would have made a great investment. With 50 cents per share ... I have 50 shares, they are still there. So I thank the Board of Directors, that's fine, I approve these financial statements because I know you have made the most you could do. But you have some scale inside there; just go there sometimes in Piazzale Ostiense and you'll realize what it is. But it does not depend on you, because when Marino said: "let's reduce the remuneration by 70%" it was the beginning. We have sent Marino and the movement was right because we have to go and vote. I want to go and vote. Shall we vote? Is this democracy? Where is Italian democracy? Where is economic democracy? There is none. Thank you. I am in a rush, I have to go to Finmeccanica. Visit the APAI website and try to understand! "

The Chairman thanks the shareholder Chiurazzi, and calls upon the shareholder Luca Catelli, holder of 300 (three hundred) shares, to speak:

CATELLI: "I declare myself satisfied with the financial results of Acea, because I approve the increase in investment, the debt decrease and especially the payment of the 50 cent coupon for small shareholders, which is approximately a 3.5% return at current market prices. This return is about three times - at the present date - compared to an Italian government bond with ten-year maturity. It should however be noted that since the beginning of the year, Acea is the only stock among the Utilities to lose, with a 10% loss. All other utilities are stable or even rising. I foresee the objection that this is due to the polls for the new mayor of our city and the statements made during the electoral campaign. In my quality as shareholder who has always been opposed to the privatization of ACEA, and continues to oppose this privatization, I think that the mayor of this city, and, therefore, the majority shareholder is entitled to and has the duty to intervene - when he is in office with his powers - especially when he speaks within the path traced by the referendum and within the established case law of the Constitutional Court with regard to water as common good. It must be acknowledged that all economic indicators - whatever they may be: profit, debt / capital structure, return on equity, ratio of profit to stock price - although some are declining, nevertheless show a substantially healthy company. A company that derives 77% of its profit from regulated businesses. Thus, to those who wave the flag of privatization, I would like to remember that 80% of Acea's business comes from services regulated by law. It is a defensive stock, from which, of course, one cannot expect any speculative growth, but which, however, has stable and large cash flows over time. Before making my four requests, and concluding my speech, I have to briefly reply - without fuelling an argument - to the two shareholders who have spoken. I do this for intellectual honesty and the love I have for this company. When you speak of the public hall as if it were one of Dante's circles, you also have to ask how many Utility Companies in Italy have a front office for the public. Then you must reflect about the resources that Acea is investing to meet customers' needs. Second aspect: I did not work in the bank, so I do not know this world, but replying to the small shareholder who spoke before, I want to say that it is not ACEA who lives on advances. Ladies and Gentlemen, it is the Italian State that lives on advance

payments! In June we will pay 97, 98, 99% of our taxes in advance, of what we will produce next year. So when you say that Acea lives on bills issued on account, thus on estimated values and therefore not corresponding to reality, you are not considering that - except for the additional regional and municipal taxes that are withheld month by month - all the taxes that we pay to the central government are paid one year in advance for about 98%. So, it not only ACEA that has a system that does not work, it is the Italian State that relies on this. I am now coming to my requests to this

Board of Directors. The first one: "Safe Boiler" and "Healthy boiler". In a few weeks, there will probably be the call for the awarding of this contract, which Acea has very well performed in recent years. Unfortunately, there was a short period of interruption, in which Acea did not win this tender, I wonder if Acea intends to participate with conviction and above all - since the maximum discount in tenders has now been abolished by a government decree - if it will try to invest all the necessary means in order to regain this contract. It is a public interest service that Acea has carried out with a few employees and with a very high return for the company. As second subject, I make the same request made in previous meetings: to appoint a Board member who represents the small shareholders or employees. Then, I have a report to make with regard to the employees, who have always been my reference point. I participate in this meeting to protect the interests of the employees. I consider that the wealth produced in Acea must be also redistributed within the company, especially by improving the second-level employment contract. This can be done either by entering into second-level agreements, which is now permitted by law, and through better corporate welfare. This increases the company's productivity, employee loyalty and sense of belonging to the company and reduces company conflicts. So, besides the attention to the image that Acea has with regard its suppliers and customers, it should pay more attention than it has so far, to care for the interests of its employees. Thank you".

The Chairman calls upon the shareholder Paolo Rosichetti, holder of 1750 (one thousand seven hundred and fifty) shares, to speak:

ROSICHETTI. "Let me start from the words of the Chairman: "Being closer to our customers, improve efficiency". We should see what is meant by "being closer", if it means bring them to Piazzale Ostiense to keep them close, I don't know ... I think that's what you mean. I would like that a survey be made on how many people, in one year, are forced to come to Piazzale Ostiense. Given that every day there are policemen, Carabinieri, people walking in the hall with placards attached to the neck who cannot solve their problems. I would like to report the case of a dear friend who, since 15 January 2015, has to move a meter by seven meters on the same wall. He can't have it done, and here we are talking about 1,350 technicians in the field. These are small things, but they give a hint of the real problem and justify this type of remarks.

Another situation: I read now that energy production has declined; water consumption decreased from 540 million cubic meters to 527 million. If we fail to maintain certain receipts stable, it is because bills increase and, given the difficult situation we have in Italy today, we take away the water from people who cannot pay their bills, regardless of whether they need it. So if one does not pay the bill, after three months they cut off the water supply; but to those who pay the estimate one and a half year in advance, no interest is paid for the money that Acea collects. This person paid for the works one and a half year ago, and after one year and a half the work has not been done, but ACEA already has the money in its pocket! So, if one

does not pay the bill we send reminders and we cut off the water supply, but the same does not apply for the money that ACEA takes.

The problem of the call centre: I would like to know where do we hire the people and who carries out the service because, sometimes, when you call, you have the impression of talking to people who unfortunately have the monitor on, are reading something, give absurd replies.

Then there are specific issues regarding the websites. On the website, it is said that you have to bring certain documents; you arrive at the counter with those documents and they send you away because they say that some documents are missing. You should first of all check these things.

I am here raising spot issues. The problem of meter replacement. Who makes this meter replacement, Acea's staff or is it outsourced?

Another issue, the meters: are we talking about water meters or electricity meters?

Last year when the board of directors was replaced, we witnessed the removal of Mr. Cremonesi, ACEA's Chairman, who was thrown out regardless of whether he had a contract and had been appointed for three years. Now we find that Cremonesi is the Chairman of Acea Public Lighting. I wonder if this is a normal thing. I have finished."

The Chairman then calls upon Aurelia Marie Binet Carrere, representative of Suez with 26,584,395 (twenty-six million five hundred eighty-four thousand three hundred ninety-five) shares, to take the floor.

BINET CARRERE. "Good morning, Madam Chairman, directors and shareholders, on behalf of Suez Italia I express a positive opinion on Acea's financial statements for the year 2015. The company has become financially solid, which is essential to professionally perform the service, and to make investments.

Indeed, in 2015 ACEA made investments for about 430 million euros, a large part of which in and for the city of Rome.

But above all I express a positive opinion on the operating performance and the work of the management as a whole. Under the CEO's leadership, Acea has addressed the ACEA 2.0 project, which represents a historic turning point for the company, comparable only to its listing on the stock exchange.

Acea 2.0 represents a new way of working and of providing the service to citizens; it will result in better service quality by solving, inter alia, some deep-rooted malfunctions, it will introduce greater transparency with users who will be able to know both times and costs in a clear manner. On this World Day for Safety, I say that it will be a means to increase workplace safety for operators and will increase the professionalism of Acea's men and women. Therefore, Acea 2.0 contains values not only in terms of professional efficiency, but also in terms of business ethics and is a challenge for Acea and its way of providing services. This project has been observed with great attention by many European Utilities, as an example to follow and maybe copy, which makes Acea one of the most state-of-the-art Utilities in Europe.

Finally, I briefly touch on the performance of the stock on the market: the stock price reflects the market recognition of the quality of work done by Acea in this last year. It is important that all Shareholders defend this value that belongs to everyone, the shareholders, but also the citizens of Rome, who hold 51% of this value. To disperse or damage this wealth would mean to take away something from every citizen of Rome. Thank you".

The Chairman takes the floor again, and proposes to suspend the meeting for 15 (fifteen) minutes in order to enable the preparation of the replies.

As no one objects, the meeting is suspended at 01.05 p.m. (five minutes past one p.m.).

At 01:30 pm (half past one p.m.), the Chairman resumed the Meeting and, with reference, to an interesting question emerged in one of the speeches, to appoint a Board member to represent the small shareholders and employees, she states: Chairman: "Our by-laws do not contain an obligation to have a representative of small shareholders and employees within the Board of Directors, but there are two ways to achieve this objective: one is that small shareholders and/or employees, as they often coincide, get together and reach the critical mass of 1%, and present their list. This is not so difficult to accomplish. To simplify things - clearly I refer to the shareholders who already have a stake and can present the lists - I suggest that they consider including a representative of small shareholders and employees in the next lists".

The Chairman then calls upon the CEO for the technical answers.

IRACE: "I apologize for the time that was needed to collect the replies. I hope I can be precise, I will consider each question one by one, shareholder by shareholder, and then I think there will be an opportunity to respond.

The shareholder Angeletti, owner of ten shares, asked - if we got it right - for an assessment on the performance of the share price since the appointment of the new Board of Directors. Then he asked for feedback on the reduction of net sales and the policies regarding the sale of receivables and requested further information on the antitrust fine for misconduct.

As for net revenue: I have to say that this is the result of a precise strategy in the Business Plan, in agreement with the Board of Directors, that I proposed: we're focusing once again on the sale of electricity where the company brand is well known, in the City of Rome first and foremost, in the segments we operate in; therefore, we're refusing to take on customers proposed, especially on the free market, if there is a lack of coherence with this approach and on the basis of the credit rating score of the specific customer. In particular, in the energy segment the percentage of refusals for contracts proposed by agencies is almost 20%, as we continue to strive to reduce the risk profile for working capital, which is inevitably related to this type of activity. Essentially we're reducing the number of customers, while improving the quality of our portfolio. The most evident case of all is that of the Municipality of Rome, which we are not supplying for the first time as the payment times of the Municipality of Rome meant an increase in costs for Acea in terms of those specific contracts. The financial cost Acea had to bear due to the delay was greater than the profit margin. This is the situation we are in. As for the Antitrust fines: a general reflection is required, as there is a substantial overlapping of the activities of the Antitrust and the Authority for Electricity. The Antitrust Authority, on the basis of the scope within which it has been assigned to control supply contracts, substantially makes evaluations which, in our opinion, are excessive for the scope of its competence as it even sanctions behaviour that is regulated by the AEEGSI. Interruptions, for example, are highly regulated by AEEGSI documents and service contracts, especially in monopoly sectors. The Antitrust Authority evaluations are different and we have appealed against the same, in consideration of the fact that we believe we have grounds to prove we have observed service regulations.

As for share performance, it is evident that this subject should be considered in

relation to the stock performance of the markets in general, in relation to peers; it can be said however that in relation to when the Board of Directors was elected the value of Acea shares, as of yesterday, had increased by 17%.

Angeletti Franco also asks how many "Case dell'Acqua" public drinking water dispensers have been installed. A plan has been drawn up with the Area Authority for the installation of 60 water fountains; 36 have been installed to this date; the programme is a 3-year plan and runs from 2015 to 2017, so we are over half way through installing the planned number of fountains. Remember that this is an initiative for which, no matter what was proposed by Acea, the decisions are taken by the Water Authority as far as investment plans are concerned. We believe that we are in line with the plan.

Someone asked how much Kotter costs. Around one million euros/year, but it's more than consulting, it's more of a training activity for a change in management. I firmly believe in the investment the Company has made to promote organizational and cultural change in as many ways as possible. Acea is an ex monopolist entity, and as such essentially has a self-centred approach, from which many of the practices and difficulties with customers derive because the company tends to focus on itself rather than on customer relations. We're used to considering processes in end-to-end terms, from the customer to the process of satisfying the request and the response that's expected by those supplied by Acea, for the banal reason that we are an ex public monopoly, but we are still monopolists as we manage services that are natural monopolies.

This change, which goes hand-in-hand with digitalization and makes many of these organizational problems transparent, visible and comprehensible, will evidently require a deep-rooted cultural change for thousands of people working in the group. This change can't be brought about by simply investing in IT systems, but will be realized through cultural change and through the effort of people to perform different activities in a different context.

This training and change is a vital investment in my opinion that Acea must continue to make, not only in terms of Kotter, but also in terms of specific training, because the agreement on which a process of change of this kind is based requires involvement and important changes from our colleagues and employees.

An increase in layoffs. Our retirement policies are agreed on with the trade unions, and are subject to specific agreements for employees near retirement age. There's been a reduction in the number of managers and we're continuing along these lines; this resolution was passed for justified objective reasons, essentially part of the re-organization: a company with a digital process requires fewer operative structures, so we need to reorganize, and this is what we are doing. Naturally, these changes are put into effect by mutual consent with Federmanager, the Manager's trade union, to protect workers' rights.

The shareholder Barbagallo asked about cemetery utilities. At present we haven't changed the billing, the billing system for cemetery utilities, which isn't based on consumption, rather an annual flat rate is paid. Major registry work is required. Starting next July cemetery services will be billed using a new billing system that reconciles data wherever possible, but for this service it's important to remember that it's not easy to keep an up-to-date database for obvious reasons.

Maurizio Martini asks why automatic readings are not always used for water bills. We do obviously have a control mechanism for automatic readings, which is based on historical consumption and systems which, in some circumstances don't contemplate automatic readings for the simple reason that each user could send in an automatic reading to reduce their bill. It must be said however that in the integrated water service, contrary to what various shareholders have said, as is also the case for electrical distribution, there is no volume risk for the operator; this means that the revenue the company recognises in the financial statements is not adjusted for the volume sold. In the water segment this is a very sensible rule from an environmental point of view because, otherwise, to sell a higher volume all the operator has to do is increase the pressure in the network. The regulation in fact doesn't provide for this and the result is that when there is a drop in the volume sold, which decreases due to variables such as the price, but also due to the efficiency of the systems and domestic management systems, the price increases. This is the case throughout the regulated business world, because the cost that is recognized in the tariff covers the service costs the operator has to bear. On this point, I'd like to reassure those who think we can recognise the revenues on the basis of estimated consumption. This isn't the case. We recognize the revenues on the basis of the revenue restriction limits set by the Electricity Authority, and then we apply equalisation adjustments. As for the water service metering regulation, I believe the shareholder Martini referred to, this is a specific regulation that obliges the operator to take at least two readings per year, after which all the other bills can be estimated. We strictly observe this regulation. More specifically, we've opened dedicated channels for receiving user's automatic readings and the first rule is to use these channels; sending an automatic reading by mail means the organization has to collect the mail when we've provided other channels. Therefore, users should use the channels provided.

The shareholder Daga made a comment of a more political nature, which I really don't know how to answer as, to participate at this meeting one has to purchase shares. I must remind you that participation at shareholders' meetings of companies listed on the stock market is regulated by the laws of the State and therefore all shareholders have the right to participate and of course be a part of the company.

The shareholder Daga asks about a European violation concerning sewerage services amounting to an estimated 101 million euros, for unfinished activities, which it is presumed have been included in bills. This information is incorrect: only investments made and recognized in the financial year subject to public control by the Local water authority and National (Italian) authority are included in bills; this is an ex-post activity, in other words only investments actually made are recognized in tariffs.

The administration by the external commissioner mentioned by the shareholder Daga does not concern Acea. An external commissioner was appointed for the Municipal Authority of Rome to supervise the authorization of these systems; Acea is not involved in the realization of the same. The Government appointed an external commissioner for the Municipal Authority of Rome to authorize these systems in terms of town-planning, impact and so on.

The shareholder Daga emphasized and asks for information on the high cost of consultancy. It must be said that in the period 2010 - 2015 consultancy costs dropped by 73%; in 2015 we spent 2.4 million euros on consultancy; on the other hand training costs have increased from 890 thousand euros to 4.8 million euros per year. This corresponds to a precise strategy; we're investing in the people who work in Acea in terms of specific training so they are qualified to manage the new processes and

systems.

The shareholder Daga asks whether 50 million euros per year for SAP is too much. These are investments, the companies that manage network services, do jobs and substantially handle customer relations; the effectiveness of the asset management and customer relations also depends on these infrastructures, which aren't like a waste treatment plant but can be considered in the same category.

Total investments in 2015 amounted to 66.5 million euros. SAP is a standard and the costs that Acea bears for this type of software are discounted in the same way as they are for the biggest European utility companies; the cost that Acea bears in terms of software and licences is discounted, the figure is obviously reserved, but the amount is very similar in terms of a percentage of the costs, to that borne by Enel for example. This is because the relations with this multinational software company are very important contractual relations. Furthermore, this investment plan produces 40 million euros in savings which is a very important and fast return; 40 million euros per year from 2019 in cost reductions thanks to efficiency and productivity being put into practice.

The shareholder Daga asks whether the financial statement of the company operating the Terni plant includes the 4 million euros in credit for green certificates and expresses doubts concerning the acknowledgement by GSE.

The Terni revamping project was approved for application of the green certificates incentive scheme; times are conditioned by two different verification procedures implemented by the GSE. Both had a positive outcome, and the last was in the first quarter of 2016. The certificates for past years have already been recognized, issued and collected by the GSE, therefore there is no doubt whatsoever concerning the rights over these certificates.

The shareholder Daga asks for information on the Antitrust fines for sewerage. There are no such fines. There are other kinds, such as for interruptions, but not of this kind. I repeat, we operate in a field where the competence of various Authorities overlaps.

The shareholder Daga asks for information on the 4/5 million debt with the Sangro Municipalities. This is for Abruzzo Regional Authority extra fees. We will challenge this as we believe it to be groundless; for other requests from the Abruzzo Regional Authority, which we held to be illegal, the Court of public waters ruled in our favour. We will keep you informed in the following meetings on the progress of this dispute.

Contracts: the shareholder Daga asks for explanations on contracts. We revised our operational model and reorganized our management procedures for supplier relations. Just for the water service, Acea had around eighty different contractors which were managed using classic procedures, with printed accounting systems and all the complexity that derived from the same: eighty site managers were required, the controls were non-digital with the relevant complexity, management costs were very high and above all there was very little efficiency in terms of our capacity for control. By digitalizing the process, we've included a part of the process in repair orders that's specific to the contractors who are now monitored, work order by work order, throughout the various phases of the process; they must declare the time, men and equipment required to be used for each activity performed and keep track of work progress by taking photos in real time of the various process activities being performed. This means that for water, and in the future for electricity, we can control the contractor's performance and relevant reliability, which is impossible with non-digital methods. In the various phases of the process the contractor must provide proof of progress with photos: when the site is being set up, during excavation and when the job is finished. This means we can measure the performance of all jobs, on a statistical

and timely basis, keeping a georeferenced and photographic track of all the activities and the various phases of the same. Obviously, this type of organisation isn't compatible with a large number of contractors so we had to reduce the number of contractors, with good reason, consolidating and reducing the number of contractors to suit the new requirements and the contractors also had to invest in technology, equipping their workers with the necessary technology to guarantee the optimization of resources. We're now operating in Ato 2, and soon we'll also be operating in Ato 5, and electricity distribution. This guarantees a capacity for widespread control because, to give you a concrete idea, if the contractor declares they will drive to the site using a vehicle for which the MOT has expired, the system will reject that contractor's shift; or if for example, a worker has a license for a certain job that's not valid for the job or the required safety level, this is rejected. This means that, thanks to this technology, we'll have much greater control over contractors.

The shareholder Daga asks about the delays in electricity transfers. In 2015 there were around 100 thousand transfers; there are more or less 100 thousand every year, and the average time required is less than that stated, and in line with regulations. It must be said however that there are cases in which there have been delays in the transfer. In recent weeks there were delays due to the fact that on 4 April there was a go live and we had to migrate all the systems with the relevant requests including the requests for transfer; in some cases there were problems with the migration of these requests from one system to the other; we're focusing on this activity, we're working on it and naturally in the following weeks and months these problems should be solved.

The shareholder Daga declares there will be redundancies. On the contrary, the aim of the programme is zero redundancies. The goal of the plan and the programme is for widespread requalification of our human resources. This is a huge job as the average age of Acea employees is 49, so relatively old, who may have some difficulty in adapting to digitalized processes; many company operational roles will be made redundant by the digital process, all the simple administrative clerical data entry work will be done by automatic systems. These colleagues must be requalified and they can only do this through an element of flexibility and elasticity in the intra-group mobility and through a considerable investment in training. I'd like to take the chance to mention the great success the change is having with our colleagues in Acea, who are contributing to the process, which is ambitious and anything but simple, and in my opinion should also be extended to other realms outside Acea. This will be the challenge the company faces in years to come. The digitalization of processes is a challenge that goes beyond the company Acea and essentially concerns organizational and cultural changes, not just IT systems.

The shareholder Di Grazia asks for information on Kotter. The cost is around one million euros a year from start to finish and we've created a twofold organizational operational capacity, welcoming the contributions of employees and simplifying their participation in the process of change. Kotter is a lecturer in change management at Harvard University, and considered the top expert in the "World of Change" and I believe this to be a very useful and important investment for the company, the benefits of which will last in time.

The shareholder Di Grazia mentions that digitalization has slowed processes down. Of course if we look at processes overall, this isn't true. However it is true that, because the changes related to digitalization require organizational and cultural changes and it takes time for systems to start working efficiently, in some processes, such as those for estimates in the water sector, there are some problems at the moment; this is the



start-up phase which requires the greatest attention; the management is fully focused on this aspect and I'm sure the delays in such an important change is something the management must focus on, and I can confirm this and I'm sure the positive effects will soon be seen. One important thing I'd like to emphasize is that the AEEGSI has included reward mechanisms in the regulatory framework: additional revenue for operators who can improve on the times set by the Authority in the Service charter. In other words, the AEEGSI set standard times at a national level on the basis of which things should be done, the times for estimates, repairing a fault, repairing a leak, performing an inspection, answering a call. It set the same times for everything throughout Italy and this will make it possible to compare the performance of Rome with that of Naples or Florence and those who can improve on these times, do better in other words, will be eligible for additional revenue calculated using formulas I won't bother you with. We're aiming for this result and believe we'll be able to reach it, so there's a commitment which for once sees the interests of users to have a better service in line with those of the shareholders to create greater value. This reward system will translate into operational results, if we can achieve them, and at the same time mean an improvement in quality for citizens. Providing estimates is one of the processes subject to these monitoring KPI.

The shareholder Di Grazia asks for an explanation on the loss of a number of energy customers. I already mentioned there was a reduction due to a precise strategy, essentially a reduction on the basis of credit scoring; we're the only Utility in Italy to do this also with domestic customers because this activity creates EBITDA on the basis of the assumption that this cash flow will be collected, but which sometimes isn't the case and it becomes a credit loss, so it's an activity that can easily destroy final value.

The strategy is to focus on customers who pay, so reduce the number of customers by selecting those who pay on time and mostly entering into contracts with these customers. We're doing the same thing with business to business; we've often refused to supply even public customers who are late payers; we don't compete to supply electricity as we don't produce it and this is the strategy behind the Plan.

The shareholder Catelli suggests finding mechanisms that help distribute the wealth produced also to employees, and not just to shareholders. There are certainly methods involving complex mechanisms also related to share performance which could be introduced. In Acea we do have Performance Related Pay which rewards also individual contributions in terms of the quality of the worker's performance; we're one of the few utility companies to have a reward system based on the merit of each single person's activity. We no longer use a system based on a deluge of bonuses for employees and each employee is assessed on the basis of their performance in their activities and in relation to their collaboration. We've increased this supplementary pay from an average of 1,900 euros to an average of 2,850 euros because our aim is to focus more on the acknowledgment of the quality of the service and excellent performance.

The shareholder Rosichetti mentions that customers are forced to use the public customer help desk, which is historically true due to the monopolist approach that forces the customer to adapt to the company's internal practices, organization and procedures. Our aim is to radically change this method by replacing systems related to major projects, to focus more on Self Service with many different channels people can use such as the web site, apps and so on. It must be said that in the first quarter of

2016, thanks to this type of approach which we're slowly starting to implement and people are starting to use, in a complex and hectic situation, there's been a 30% reduction in the number of people visiting the customer help and information desk compared to the same period in 2015.

Rosichetti also asks about the reduction in electricity consumption. The tariffs of both the protected categories market and in the water sector are not related to volume and therefore have no impact. The reduction in volume is the result of commercial strategy. We don't believe in aggressive competition on the electricity market as we feel it's risky for the company's risk profile; we don't have a volumes' risk in any segments. So the reduction in revenues is coherent with our strategy.

The shareholder Rosichetti asks about the time gap between the payments made by users for estimates and when the service is provided. Substantially Rosichetti says: you ask the customer to pay immediately, then provide the service later. This activity is strictly regulated: rules require that the customer pays when the estimate is made and the service is provided later, and this is also regulated by strict rules in terms of times; we have had some cases and difficulties we're working on, but an assessment should be made on a statistical basis, considering all the services provided. Obviously, if we consider the exceptional cases, of the thousands of estimates there will always be some that have problems, and these must be dealt with and the number reduced if possible, but we are in line with regulatory standards.

Rosichetti asks if meters are replaced by Acea employees or contractors. We do the work replacing the meters ourselves except in cases in which major building work is required; if excavations, an extension of the network or building work is required we split the work between our employees and contractors.

The shareholder Rosichetti asks about the poor call centre service. I think the shareholder is right, the call centre has been and continues to be a weak point in our customer relations; we're working towards a so-called one call solution, giving the operator who answers the call the possibility to perform transactions on systems to solve the user's problem. If the user wants to pay by instalments, they can call and stay on the line for as long as is necessary to find a solution to the problem.

This represents a change in direction of 180 degrees compared to the operative procedures adopted by the company in recent years, which is only possible thanks to systems that can guarantee performance and a complete change in direction in consideration of the fact that these activities over the last 10 years have been contracted out to sub-suppliers with the resulting impoverishment in the call centre's capacity to operate effectively. We are working, and this is one of the fundamental goals of the digitalization project, to reach a point where the customer calling the call centre can operate through the same call centre. We're investing resources in this sense; we have a call centre that can cater for around 100 operators. We believe the quality of the service provided by the call centre operators must continue to improve.

The shareholder Rosichetti asks about Cremonesi, who is no longer the Chairman of Acea but was appointed by the Acea SpA Board of Directors to a subsidiary, Acea Illuminazione Pubblica. We maintained the Acea Illuminazione Pubblica Board of Directors as there would have been the risk of a dispute. That Board is no longer in office though. It has been renewed and Cremonesi is no longer the Chairman of the subsidiary.

I must answer the question of another shareholder, excuse me I don't remember the name, concerning our availability to re-assume control of the boilers as in the past. If the Municipal Authority calls the tender, we will evaluate whether to participate to win

the contract; it is a less important business though in my opinion. In this specific case, as we do represent quite a significant entity for Rome, I think we will participate with the intention of winning the contract. We'll consider it if and when the tender is called by the Municipal Authority.

I think I've finished. I hope I haven't forgotten anything, and that the answers I've given have been exhaustive. Thanks you".

After having thanked the CEO, the Chairman asks those who wish to answer the clarifications to give their name to reserve the right to speak, and limit their speech to five minutes.

The Chairman calls upon Franco Di Grazia to speak.

DI GRAZIA. "I'd like to follow up on the interesting declaration on the presence of small shareholders in the management. One example of this kind can be found in Genoa, an area you visited for professional reasons, Amga in Genoa in particular; the Chairman of the Small Shareholders' Association, Ivan Drogo, who's also a friend of mine and knows other people in Acea, set up this association and was elected to the Genoa Board of directors by the Mayor.

This may answer your question.

I'd like to thank the CEO for the answers provided; earlier I forgot to congratulate you because you've been rewarded by SAP International for the 2.0 project. This is a well-deserved reward as SAP must be happy, 66 million without a call for tenders, without anything, cash, and the project continues. You've been committed to making this a concrete reality, and it will develop further, the funds are there, the rewards will be reaped, it's a great success! I'm happy for this acknowledgement which also came from Utilitalia, in other words Federutility for those of us who didn't know they've changed their name. So compliments are in order.

I'd like to welcome the representative of the Campidoglio sub-commissioner for equity investments who I hope will refer a summary of what has been said at this meeting, the opinions of which continue to be expressed by shareholders for one of the major entities in the Campidoglio group, with a 68% share and healthy dividends.

I'd also like to welcome the Suez representative, who kindly explained the obligatory position of the major shareholder Suez concerning the appointment, and I'm sure Suez is happy with the increased dividend, as is Caltagirone, etc.

Concerning Caltagirone I do have to make an unpleasant statement.

I can't see the figures for the share yesterday, today, in recent days. We already lost 7%, the figures I have here are those officially declared by Fineco. We're losing 7% as a result of the political troubles caused by the outcome of the elections. This must end. In a democracy, the candidates for local elections are free to discuss things, to talk, to promote their programmes whenever they wish, they're not heavyweight subjects. Caltagirone on the other hand is a very influential subject and should not make declarations that have an impact on the stock exchange, and the stock exchange is affected in this way, as there are two members of the board with the relevant number of shares in Acea at this level. Therefore, the subject to keep an eye on isn't candidate A, B or C in the local elections, it's Caltagirone who's important. What's more, the influence in the BoD is now greater, we now have a second member of the board, the son and Capece Minutolo who are on the board. It must be made clear that the rules are for everyone, and especially for those of influence.

Having said this, thank you for reporting the cost of the American guru, thank you for having explained and confirmed that the choice is strategic for the quality customer management plan, we know how different they are, b2b, small, business, etc. I once

almost compared all these different electricity contracts to the stakes".

The Chairman asks Di Grazia to wind up as the available time has expired.

DI GRAZIA. "I can stop here, I'll issue a communiqué, no problem, but it's ridiculous to ask us to read three volumes of reports in order to talk, let's try to be a bit more concise, a written note to which we expect a written reply to all the comments made, it's a huge job that isn't simple. And that's not all, but the replies are long too, and if someone takes longer than five minutes I don't think it's such a problem."

The Chairman interrupts saying that usually replies are not made to replies, but it's certainly true that the candidate of a majority shareholder has a greater influence than a minority shareholder.

The Chairman calls upon Franco Angeletti to speak mentioning that Franco Angeletti holds 10 shares.

ANGELETTI. "I invested, I doubled the value compared to last year. On the question of revenues I'm pleased you're selecting the revenues and have refused the Municipality of Rome as they were a bad payer. What sort of relations do you have with the Vatican? They owe us a ton of money? How are things with the Vatican? I think there are various millions at stake.

I've finally found out how much the *casa dell'acqua* water fountains cost, three million paid by the citizens of Rome in the bills, which puzzles me.

Then there was a question I think should be answered: the decrease in photovoltaic energy, the connection with managers of these renewable sources and whether the post-pay benefits are related in any way to concrete results.

That's all. Thanks".

The Chairman calls upon Barbagallo to speak, mentioning that Barbagallo holds 350 shares.

BARBAGALLO. "During the previous shareholder's meeting in the reply I had objections to make concerning professor Marino and the intolerable unsuitability of a graduate to be elected CEO as being groundless, as the corporate scenario, as has been seen, is extensively characterised by companies with significant growth and profitability being run by managers without university degrees. We can find many in the yearbook. Dear members of the BoD, the financial statements require a reduction in costs. I would like to suggest a reconsideration of the consultants, the team of IT experts, senior and middle managers, cutting fees and benefits, as well as other extras.

As for the today's replies, I would like to reply also to complete my earlier speech as it was before the referendum, the results of which were easy to imagine.

In the daily papers, and on national television, yesterday evening there was a programme on Raidue (Italian national TV station 2), it was almost as if they'd read the bulletin or speech I made, Acea S.p.A.'s targets were published, and not those of the short-term or those requiring a meagre investment. On this theme I would like to repeat that the so-called goals could be considered fanciful as they're based on the conviction that there will be an extension of the current BoD, which looks quite improbable, as the appointment of the Mayor of Rome with the backing of the political faction that supported professor Marino and his council cannot be taken for granted due to political initiatives and public pressure to finally put the public referendum in which Italian citizens expressed their wish to make the integrated water service public, into effect. As a result, Acea's interregional shopping project isn't exactly a Copernican revolution after the anything but brilliant experience in Frosinone and Latina.

The Italian Prime Minister Matteo Renzi, on 11 August 2014 was sent a registered

letter with a feasible proposal for scrapping the short-sighted 110 Ato which mostly relies on regional presidencies to make good substantial losses. But the proposal also implies putting an end to the indisputable business of private partners who are all the more committed to increasing equity investments in Ato companies as the technical-administrative managers of relations with the citizens and Municipalities in the Ato are destined to become a thing of the past. The proposal is planned in steps and focuses on an imperative principle which remains outside the scope of the EU, the national character of water, whether springs, lakes, rivers or seas. We gave away the sea around Elba".

The Chairman reminds Barbagallo that the available time for replying has expired.

BARBAGALLO. "I didn't go to University. Others did and have done what they've done. The direction will be shared by terminal institutions in the capital of each region or another barycentric location, while on the basis of the organizational model of major public services' companies the technical-administrative management will be guaranteed by companies operating throughout the Italian territory. Said companies cannot be taken over by private enterprises.

My time has finished, so I can't say more, thank you".

The shareholder Barbagallo consigns the text of the previous speech to the Chair, and the text is recorded in the company deeds.

The Chairman calls upon Maurizio Martini to speak, reminding the shareholder that the speech should be limited to the replies made.

MARTINI. "I thought I'd been sufficiently clear and precise in my request to Mr Irace concerning a way to report these damn meter readings so we no longer find the word "estimate" in the bill. He answered that the only possible solution is to use institutional means, so through the web or call centre, which I already said I had done in a timely manner but without success. His answer makes it obvious that I've touched a nerve: effectively I was right to say that the entire problem is in the word "estimate" because doing away with this word means doing away with a bunch of numbers and small talk. We all know how the call centre will never work, the web will never work, I've tried it to prove it doesn't, because if it did, I repeat, the game would be over. Thank you".

The Chairman thanks the shareholder for the reply and, in answer to what was said by Martini, expresses hopes that the call centre and web will be fully functional as soon as possible, asking the CEO if he wishes to reply.

The CEO speaks: IRACE: "Just to make things clear, the previous Board of Directors chose SAP, and I shared in this decision as head of the water sector. I just mention this to put the cards straight and to say that I agreed to the decision and would still do the same. I must say through that I don't really see the point of the irony and don't really appreciate it either. SAP is an international standard recognized as the absolute leader in this field; I don't know the exact percentage but I think over 85% of the financial transactions in the world are managed using SAP systems, it's the backbone of major utility companies all over the world and one of the standards acknowledged by all operators, a standard of excellence so I agree with the decision taken by the previous BoD, of which I was a part and have confirmed in these years.

Angeletti, really, over and above the political considerations on the management of the public and private water sector, the company has integrated water service assets of

around one billion 700 million and it's the job of the Board of Directors and corporate governance bodies to protect these assets in the interest of all shareholders, obviously in observance of the regulations and laws which aren't of course passed by the company. Acea is the biggest operator in the water sector in Italy in terms of size and this business produces around 43% of the company's revenue; therefore, it's obvious that the prospects of growth for Acea, which is evidently another of the management's responsibilities, are linked to the industrial outlook of this sector. It's not our job to pass laws or regulations, our job is to operate in this context, protecting the investments the company has made in the sector, and we will continue to do just that. As for the goals for growth in the plan, which we didn't include in the plan but mentioned as being a potential upside, we divided these into goals that can be reached with decisions made by the BoD alone. This means they are the responsibility of the corporate governance bodies. Then there are others that may imply decisions taken by company shareholders, possible mergers, integrations with other companies, and by stimulating the impact of both, naturally we've brought things up-to-date and we're working, as can be seen on the market, towards goals in the first part, in other words investments in potential acquisitions and growth to consolidate the territories in which we are already operating".

At this point, as no one else wishes to speak, the Chairman closes the session for discussion at 14.37 (fourteen thirty-seven hrs).

The Chairman reads the following proposal for resolution:

***The Acea S.p.A. Meeting:***

- ***having examined the figures in the financial statements at 31 December 2015 with the relevant reports presented by the Board of Directors and Auditing Firm;***

- ***having acknowledged the figures in the consolidated financial statements at 31 December 2015 with the relevant reports presented by the Board of Directors and Auditing Firm;***

***resolves***

***to approve the annual financial statements at 31 December 2015.***

The Chairman asks those who do not wish to be included in the count of the majority to leave the hall before voting starts, using the procedure described above.

Those with proxies who intend to vote in different ways on the proposal, should go to the "voting assistance" desk.

Others with voting rights can vote with the "radiovoter" using the procedure specified previously.

Before putting the proposal to the vote, the Chairman asks for the person keeping track of the number of participants present at the meeting to provide up-to-date figures on the participants present and asks the participants not to leave until voting has finished.

The time is 14.38 (fourteen thirty-eight hrs).

The Chairman informs the meeting that at the start of voting 307 (three hundred and seven) participants with the right to vote are present or have appointed proxies for a total of 184,066,074 (one hundred and eighty-four million, sixty-six thousand and seventy-four) shares, equal to 86.430240%, of those with voting rights No. 157,789,063 (one hundred and fifty-seven million seven hundred and eighty-nine thousand and sixty-three) shares equal to 74.091582 % of the share capital.

The Chairman once again asks participants to declare if there are grounds for suspending the right to vote unknown to the Chairman.

No declaration is made.

The Chairman declares voting on the proposal read to be open.

At this point Di Grazia Franco declares:

DI GRAZIA. "I would like to make an explanation of vote, considering my position as the representative of worker shareholders: we vote against the Acea financial statements, on grounds. Thank you".

The Chairman therefore asks participants to use the relevant button for the vote each person wishes to cast on the previously read proposal (F, which corresponds to a vote for the proposal, or A which corresponds to abstained, or C which corresponds to a vote against the proposal); asking voters to use the relevant button.

The Chairman reminds people to check the screen to make sure they have cast the right vote and if there are no corrections to make to use the "OK" button to confirm; asking voters to use the relevant button. Finally, the Chairman asks voters to check the screen to make sure the vote has been recorded. Having received confirmation on the computerised system that the shareholders have voted, the Chairman declares voting to be closed and reads the results.

The Chairman declares that votes for the proposal amount to 157,720.210 (one hundred and fifty-seven million seven hundred and twenty thousand two hundred and ten) equal to 99.956364%.

Votes against amount to 68,028 (sixty-eight thousand and twenty-eight) equal to 0.043113%.

Abstained amount to 825 (eight hundred and twenty-five) equal to 0.000523%.

No non-voting capital.

The Chairman declares that the proposal to approve the Acea S.p.A. Financial Statements at 31 December 2015, the relevant Directors' Report and acknowledgement of the Acea Group Consolidated Financial Statements at 31 December 2015 in the registered text was approved by the majority.

Said results are displayed on the screen behind the Chair's desk.

The Chairman informs the meeting that the list of those with voting rights who voted respectively for or against the proposal or who abstained and the relevant number of shares will be enclosed with the minutes as an integral part of the same.

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The Chairman therefore opens the discussion on the **second item** on the Agenda:

**"Resolutions on the allocation of the net profit for 2015"**

and reads the Board of Directors' Report to the meeting.

*"Dear Shareholders,*

*the Board of Directors asks You to approve the allocation of Acea S.p.A.'s profit for the financial year that ended on 31 December 2015 equal to 145,605,512 euros as follows:*

*7,280,276 euros, equal to 5% of the profit, to the legal reserve,*

*106,482,450 euros to the Shareholders, corresponding to a unit dividend of 0.50 euros,*

*31,842,786 carried forward.*

*The dividend, coupon No. 17 totalling 106,482,450 euros, equal to 0.50 euro per share, shall be paid beginning on 22 June 2016 with a detachment date of 20 June and a record date of 21 June.*

*At the date of approval of the financial statements, treasury shares total 416,993."*

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The Chairman declares discussion of the second item on the agenda to be open, asking

those who wish to speak to give their name to reserve the right to speak, and once again requests speeches be clear, concise, pertinent to the subject of the item on the agenda and limited to a time of 10 minutes, without prejudice to the right to a subsequent reply which should be limited to 5 minutes, in accordance with Meeting Regulations in force.

The Chairman calls upon Franco Di Grazia who reserved, to speak. The Chairman mentions that Franco Di Grazia represents 65,167 shares.

DI GRAZIA. "The proxy I have received is against the decision to increase the dividend. In the previous meetings we explained the reasons for this with reference to the current crisis also of a financial nature, with exposure from debts amounting to over two billion and outstanding credit, transfer of trade receivables without recourse that have never been fully classified on the basis of the type of transfer, and this, to protect corporate assets, means we must allocate as many provisions as possible. For the placement we created a provision to protect the company from a possible financial crisis. In my opinion the financial crisis isn't over yet. We feel that this provision should be allocated once more as was decided at the time of placement on the Stock market. Thank you".

The Chairman acknowledges that the CEO does not intend to reply and that no other managers wish to reply, nor have any other shareholders asked to reply, so declares the discussion closed at 14.47 (fourteen forty-seven hrs).

The Chairman reads the following proposal for resolution:

***The ACEA S.p.A. Meeting, having examined the Board of Directors' Report,  
resolves***

***to approve allocation of Acea S.p.A.'s profit for the financial year that ended on 31 December 2015 equal to 145,605,512 euros as follows:***

" 7,280,276 euros, equal to 5% of the profit, to the legal reserve,  
" 106,482,450 euros to the Shareholders, corresponding to a unit  
dividend of 0.50 euros,  
" 31,842,786 euros carried forward.

***The dividend, coupon No. 17 totalling 106,482,450 euros, equal to 0.50 euro per share, shall be paid beginning on 22 June 2016 with a detachment date of 20 June and a record date of 21 June.***

The Chairman asks those who do not wish to be included in the count of the majority to leave the hall before voting starts, using the procedure described above.

Those with proxies who intend to vote in different ways on the proposal, should go to the "voting assistance" desk.

Others with voting rights can vote with the "radiovoter" using the procedure specified previously.

Before putting the proposal to the vote, the Chairman asks for the person keeping track of the number of participants present at the meeting to provide up-to-date figures on the participants present and asks the participants not to leave until voting has finished.

The time is 14.49 (fourteen forty-nine hrs).

The Chairman informs the meeting that at the start of voting 306 (three hundred and six) participants with the right to vote are present or have appointed proxies for a total of 184,065,474 (one hundred and eighty-four million, sixty-five thousand and four hundred and seventy-four) shares, equal to 86.429958%, of which those with voting rights represent 157,788,463 (one hundred and fifty-seven million seven hundred and eighty-eight thousand four hundred and sixty-three) shares equal to 74.091300 % of the share capital.



The Chairman once again asks participants to declare if there are grounds for suspending the right to vote unknown to the Chairman.

No declaration is made.

The Chairman declares voting on the proposal read to be open.

The Chairman therefore asks participants to use the relevant button for the vote each person wishes to cast on the previously read proposal (F, which corresponds to a vote for the proposal, or A which corresponds to abstained, or C which corresponds to a vote against the proposal); asking voters to use the relevant button.

The Chairman reminds participants to check the screen to make sure they have cast the right vote and if there are no corrections to make to use the "OK" button to confirm; asking voters to use the relevant button. Finally, the Chairman asks voters to check the screen to make sure the vote has been recorded.

Having received confirmation on the computerised system that the shareholders have voted, the Chairman declares voting to be closed and reads the results.

The Chairman declares that votes for the proposal amount to 157,720.210 (one hundred and fifty-seven million seven hundred and twenty thousand two hundred and ten) equal to 99.956744%.

Votes against amount to 61,651 (sixty-eight thousand and twenty-eight) equal to 0.039072%.

Abstained amount to 6,602 (eight hundred and twenty-five) equal to 0.004184%.

No non-voting capital.

The Chairman declares that the proposal to allocate the profit from the Financial year that closed on 31 December 2015, made in the BoD's explanatory report and contained in the Board of Directors' Report in the registered text, was approved by the majority.

Said results are displayed on the screen behind the Chair's desk.

The Chairman informs the meeting that the list of those with voting rights who voted respectively for or against the proposal or who abstained and the relevant number of shares will be enclosed with the minutes as an integral part of the same.

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The Chairman therefore opens the discussion on the **third item** on the Agenda:

**"Remuneration Report - resolutions on Section one, in accordance with art. 123-ter, paragraph 6, of Italian Legislative Decree No. 58 of 24 February 1998.**

On the basis of the Board of Directors' Report read to the meeting.

*"In relation to item three on the agenda, the Board of Directors asks You to approve, in accordance with art 123 ter paragraph 6 of Italian Legislative Decree No. 58 of 24 February 1998 (hereinafter referred to as the "TUF" [Italian Consolidated Law on Finance]) Section I of the ACEA S.p.A. Remuneration Report describing the Company policy on the remuneration of the members of the management bodies, general managers and directors with key responsibilities and the procedures used to adopt and implement said policy.*

*Reference is made to the full text of the "Remuneration Report".*

The Chairman declares discussion of the third item on the agenda to be open, asking those who wish to speak to give their name to reserve the right to speak, and once again requests speeches be clear, concise, pertinent to the subject of the item on the agenda and if possible limited to a time of 10 minutes, without prejudice to the right to a subsequent reply which should be limited to 5 minutes, in accordance with Meeting Regulations in force.

As no one asks to speak, the Chairman declares the discussion closed at 14.53

(fourteen fifty-five hrs) and reads the following proposal for resolution concerning Section I of the Remuneration Report only, reminding shareholders that the vote is not binding in accordance with art. 123 ter paragraph 6 of the T.U.F.:

***"The Ordinary Shareholder's Meeting of ACEA S.P.A., in accordance with art. 123 ter, paragraph 6 of the TUF, having examined the ACEA S.p.A. Remuneration Report prepared in accordance with the provisions of the law and regulations resolves to approve Section I of the Remuneration Report, describing the Company policy on the subject."***

The Chairman asks those who do not wish to be included in the count of the majority to leave the hall before voting starts, using the procedure described above.

Those with proxies who intend to vote in different ways on the proposal, should go to the "voting assistance" desk.

Others with voting rights can vote with the "radiovoter" using the procedure specified previously.

Before putting the proposal to the vote, the Chairman asks for the person keeping track of the number of participants present at the meeting to provide up-to-date figures on the participants present and asks the participants not to leave until voting has finished.

At 14.55 (fourteen fifty-five hrs) the Chairman informs the meeting that at the start of voting 306 (three hundred and six) participants with the right to vote are present for a total of 184,065,474 shares, equal to 86.429958%, of which those with voting rights represent 157,788,463 shares equal to 74.091300 % of the share capital.

The Chairman once again asks participants to declare if there are grounds for suspending the right to vote unknown to the Chairman.

No declaration is made.

The Chairman declares voting on the proposal read to be open.

The Chairman therefore asks participants to use the relevant button for the vote each person wishes to cast on the previously read proposal (F, which corresponds to a vote for the proposal, or A which corresponds to abstained, or C which corresponds to a vote against the proposal); asking voters to use the relevant button.

The Chairman reminds participants to check the screen to make sure they have cast the right vote and if there are no corrections to make to use the "OK" button to confirm; asking voters to use the relevant button. Finally, the Chairman asks voters to check the screen to make sure the vote has been recorded.

Having received confirmation on the computerised system that the shareholders have voted, the Chairman declares voting to be closed and reads the results.

The Chairman declares that votes for the proposal amount to 151,783,878 (one hundred and fifty-one million seven hundred and eighty-three thousand eight hundred and seventy-eight) equal to 96.194535%.

Votes against amount to 6,000,330 (six million three hundred and thirty) equal to 3.802769%.

Abstained amount to 4.255 (four thousand two hundred and fifty-five) equal to 0.002697%.

No non-voting capital.

The Chairman declares that the proposal to approve Section I of the Remuneration Report, describing the Company policy on the subject, was approved by the majority. Said results are displayed on the screen behind the Chair's desk.

The Chairman informs the meeting that the list of those with voting rights who voted

respectively for or against the proposal or who abstained and the relevant number of shares will be enclosed with the minutes as an integral part of the same.

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The Chairman therefore opens the discussion on the **forth item** on the Agenda:

**4. Appointment of the Board of Statutory Auditors, Chairman of the said Board, and determination of fees**

**4.1 appointment of the Board of Statutory Auditors:**

**4.2 appointment of the Chairman of the Board of Statutory Auditors**

**4.3 determination of the Board of Statutory Auditors' fees.**

The Chairman reminds participants that the Directors' reports on this item on the agenda have been registered with procedural formalities and distributed to participants so, with the permission of the Meeting, will not read the same.

As there is no objection, in consideration of the fact that several lists have been submitted, the Chairman declares that **item 4.1 "appointment of the Board of Statutory Auditors" and point 4.2 "appointment of the Chairman of the Board of Statutory Auditors"** will be considered at the same time.

The Chairman clarifies that the required percentage for submitting lists in Acea S.p.A. as provided for by the Consob by Resolution No. 19499 of 28 January 2016 and the Company By-laws is equal to 1% (one percent).

The Chairman states that for the appointment of the members of the Board of Statutory Auditors, within the times and in observance of the procedures provided for by the laws and the Company By-laws 2 (two) lists of candidates were submitted:

- on 4 April 2016, **LIST NO.1**, submitted by the shareholder **Roma Capitale**, holding a total of 108,611,150 (one hundred and eight million six hundred and eleven thousand one hundred and fifty) shares equal to 51% of the share capital, as certified by the copy of the notification registered with the list;

- on 01 April 2016, **LIST NO.2**, submitted by the shareholder **Fincal S.p.A.**, holding a total of 16,000,000 (sixteen million) shares equal to 7.513% of the share capital, as certified by the copy of the notification registered with the list;

- the lists are submitted with the declarations from each candidate on their acceptance of the position, certification of the non-existence of causes for ineligibility for election, incompatibility and/or forfeiture and to meet independence requirements of applicable legislation, the curriculum of each candidate and the list of any management and control positions held in other companies in accordance with the law; **LIST NO.2** is also submitted with the declaration of the presenting shareholder certifying that they have no even indirect connections with the shareholder who holds the controlling interest in Acea;

- on 7 April 2016 the lists were published in the daily papers "Il Sole 24 Ore", "Milano Finanza" and "Il Corriere della Sera" and, with the documents required by law, were made available at the registered office, on the info authorised central storage facility web site [www.info.it](http://www.info.it), and on the Company web site;

- no changes in the positions held to the date of today were reported by the candidates.

The Chairman therefore read the names in the above lists and stated that, if required, would also read the relevant curricula.

**LIST NO. 1**

1. **Corrado Gatti**, born in Rome on 19/12/1974;
2. **Rosina Cichello**, born in Vibo Valentia on 26/04/1967;

3. **Lucia Di Giuseppe**, born in Canistro on 08/03/1966.

**Lucia Di Giuseppe** was nominated alternate auditor.

**LIST NO. 2**

1. **Enrico Laghi** born in Rome on 23/02/1969;

2. **Carlo Schiavone** born in Fasano on 3/06/1960.

The Chairman, as all the documents have been published in accordance with the law and the Company By-laws, proposes not to read the curricula and the list of management and control positions held in other companies by the candidates, unless anyone with the right to speak disagrees. No one objects.

The Chairman mentions that the appointment will be made in accordance with art. 22 and 15 of the By-laws, in the following way:

- 1) votes will be cast for the 2 lists;
- 2) the votes cast for LIST NO. 1 and LIST NO. 2 will be counted;
- 3) half plus one of the eligible Standing Auditors and one Alternate Auditor are taken from the list which obtained the majority of votes, in the progressive order as they are presented on the list, rounding down in the event of a fractional number;
- 4) the other members shall be appointed according to the procedures described in art. 22 and 15 of the By-laws, those who obtained the first and second highest quotient from the minority lists shall be appointed Statutory Auditor and Alternate Auditor;
- 5) in accordance with the rules set forth by art. 22, paragraph 3 of the By-laws, the Statutory Auditor elected from the minority list will be appointed Chairman of the Board of Statutory Auditors.

The Chairman reminds the meeting that, as this is the second time the control body has been renewed in accordance with Law No. 120/2011, in compliance with gender balance regulations at least one third of the statutory auditors must be of the minority gender.

If, by applying the above procedures, the composition of the Board of Statutory Auditors cannot be satisfied as to its standing auditors in conformity with current gender balance regulations, the procedure described in the Board of Directors' Report will be followed. The Chairman declares discussion of the forth item on the agenda to be open, asking those who wish to speak to give their name to reserve the right to speak, and once again requests speeches be clear, concise, pertinent to the subject of the item on the agenda and limited to a time of 10 minutes, without prejudice to the right to a subsequent reply which should be limited to 5 minutes, in accordance with Meeting Regulations in force.

The Chairman calls upon Franco Angeletti to speak, who holds ten shares, as the shareholder reserved the right.

ANGELETTI. "I'm pleased to see that the number of shares I hold is always mentioned. I've said it before: it's as if I'm a poor man! I'll never say how many shares my family holds. I hold ten, but I could have as many as a million. I pay for my summer holidays with my Acea dividends, so let's stop this joking around. I was expecting an answer from the CEO on the Vatican. How are our relations with the Vatican? Are they going to pay, or not? I'd like an answer. On the question of the appointment of the Board of Statutory Auditors, I thought we would have discussed or voted on their fees. Reading the names, Corrado Gatti, Enrico Laghi, one from the minority list, one from the majority list, excellent curricula of course, the best around, but I think the fees last year were a little high. Professor, you're quite expensive, professor you're really expensive! Here, we're in Rome, I hope you know! Read the

remuneration figures. The numbers are quite high, Acea is generous with the fees. This is what I wanted to say".

The Chairman, thanking the shareholder Angeletti, clarifies that this year it has been decided to specify the number of shares, and this is in no way intended to represent any sort of comment, asking the CEO to answer the question on the Vatican. The CEO speaks:

IRACE: "I apologise to the shareholder Angeletti, I forgot to answer, I hope you'll forgive me but there were many questions. There's a common myth that we have credit with the Vatican, which derives from the duty the Vatican should have paid for sewerage and water treatment when the tariff component was payable as a tax. At the time the Vatican objected, expressing the opinion that it was exempt as it was protected by Agreements and the Italian State confirmed this interpretation, so we do have a credit of 20 million in the financial statements which is compensated for by an amount that the Municipal Authority of Rome pays each year as the recognition wasn't due to the listing procedure. It's an accounting item for Acea. I don't know if we'll be able to do away with this myth that the Vatican owes us money: it's not true, there's a credit recognized in the financial statements due to a matter that was resolved with a transaction between the Italian State and the Municipal Authority of Rome, which was the operator of the service, and the Vatican, which is why we still have a credit acknowledged and the compensation of this credit on a yearly basis from the Municipal Authority of Rome. The Vatican doesn't owe us anything".

As no one else asks to speak, the Chairman asks those who do not wish to be included in the count of the majority to leave the hall before voting starts, using the procedure described above.

Those with proxies who intend to vote in different ways on the proposal, should go to the "voting assistance" desk.

Before putting the proposal to the vote, the Chairman asks for the person keeping track of the number of participants present at the meeting to provide up-to-date figures on the participants present and asks the participants not to leave until voting has finished.

The time is 15.09 (fifteen zero nine hrs).

The Chairman informs the meeting that at the start of voting 304 (three hundred and four) participants with the right to vote are present or have appointed proxies for a total of 184,065,268 (one hundred and eighty-four million, sixty-five thousand two hundred and sixty-eight) shares, equal to 86.429861%, of which those with voting rights represent 157,788,257 (one hundred and fifty-seven million seven hundred and eighty-eight thousand two hundred and fifty-seven) shares equal to 74.091203 % of the share capital.

The Chairman once again asks participants to declare if there are grounds for suspending the right to vote unknown to the Chairman.

No declaration is made.

The Chairman declares voting on the proposal read to be open.

The Chairman therefore, as announced when the meeting opened, asks those with voting rights to vote for one of the lists of candidates using the "radiovoter" and button "1" to vote for **LIST NO. 1**, or button "2" to vote for **LIST NO. 2**.

Therefore for this vote the green button "F" should not be used; the red button "C" or yellow button "A" can be used to respectively vote against or abstain from voting for all the lists submitted.

The Chairman reminds participants to check the screen to make sure they have cast the right vote and if there are no corrections to make to use the "OK" button to

confirm; asking voters to use the relevant button. Finally, the Chairman asks voters to check the screen to make sure the vote has been recorded.

Having received confirmation on the computerised system that the shareholders have voted, the Chairman declares voting to be closed and reads the results.

The Chairman declares that the votes for **List NO. 1** amount to No. 108,785,242 (one hundred million seven hundred and eighty-five thousand two hundred and forty-two) equal to 68.943814%; that the votes for **List NO. 2** amount to No. 48,740,933 (forty-eight million seven hundred and forty thousand nine hundred and thirty-three) equal to 30.890089%.

Votes against amount to 122,474 (one hundred and twenty-two thousand four hundred and seventy-four) equal to 0.077619%.

Abstained amount to 139,608 (one hundred and thirty-nine thousand six hundred and eight) equal to 0.088478%.

No non-voting capital.

On the basis of the voting results the Chairman acknowledges that:

1) **LIST NO. 1** obtained the majority of votes and therefore, in accordance with art. 22 of the By-laws, two Statutory Auditors and an Alternate Auditor will be elected from this list, in a progressive order, in other words: **Corrado Gatti** and **Rosina Cichello** the Statutory Auditors, and **Lucia Di Giuseppe** the Alternate Auditor;

2) **LIST NO. 2** obtained 48,740,933 votes; in accordance with art. 22 of the By-laws, a quotient is attributed to each single candidate and the following classification is drawn up in the order of the attributed quotient:

**1<sup>st</sup> auditor elected, Enrico Laghi**

**2nd auditor elected, Carlo Schiavone**

After said calculation, the following auditors have been elected:

Statutory Auditor **Enrico Laghi** and Alternate Auditor **Carlo Schiavone**.

In accordance with art. 22, paragraph 3 of the By-laws, the Statutory Auditor **Enrico Laghi** from minority LIST NO. 2 is appointed **Chairman of the Board of Statutory Auditors**.

Before announcing the elected Auditors, the Chairman asks the participants who voted for LIST NO. 2 to declare whether there are any connections with the shareholders who submitted or voted for LIST NO. 1 reading the names of the shareholders who voted for LIST NO. 1. No declaration is made.

At this point the Chairman, following the result of the voting, announces the members of the Acea S.p.A. Board of Statutory Auditors who have been elected for the three financial years 2016/2017/2018 and will remain in office until approval of the financial statements of the third financial year:

- 1 - Statutory Auditor Enrico Laghi
- 2 - Statutory Auditor Corrado Gatti
- 3 - Statutory Auditor Rosina Cichello
- 4 - Alternate Auditor Lucia Di Giuseppe
- 5 - Alternate Auditor Carlo Schiavone

and also announces that, in accordance with art 22, paragraph 3 of the By-laws, Enrico Laghi has been elected Chairman of the Board of Statutory Auditors.

Said results are displayed on the screen behind the Chair's desk.

The Chairman also acknowledges that the composition of the Board of Statutory Auditors complies with the By-laws and current gender balance regulations.

The Chairman informs the meeting that the list of shareholders who voted for a list, specifying the list they voted for or against, or those who abstained, with the relevant number of shares will be enclosed with the minutes as an integral part of the same.

The Chairman pays her compliments to the new Board of Statutory Auditors, wishing them all the best in their job.

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The Chairman asks the Meeting to pass a resolution on **item 4.3 "determination of the Board of Statutory Auditors' fees"**.

The Chairman reminds participants that, in accordance with art. 2402 of the Italian Civil Code, when the Board of Statutory Auditors is appointed, the meeting will determine the annual fees of the statutory auditors for the entire period of office.

The Chairman declares discussion of the item 4.3 on the agenda to be open, asking those who wish to speak and make proposals to give their name to reserve the right to speak, and once again requests speeches be clear, concise, pertinent to the subject of the item on the agenda and limited to a time of 10 minutes, without prejudice to the right to a subsequent reply which should be limited to 5 minutes, in accordance with Meeting Regulations in force.

The Chairman calls upon Luisa Massimiani, representative of the shareholder Roma Capitale with 108,611.150 shares, to speak.

MASSIMIANI. "On the basis of the proxy received from the extraordinary commissioner, the shareholder Roma Capitale proposes that the members of the Board of Statutory Auditors, for the entire period of office, be paid an annual flat rate equal to 25% less than that paid to the Board of Statutory Auditors elected for the previous term, basically proposing to attribute an annual flat rate fee of 150,000.00 euros for the Chairman of the Board of Statutory Auditors and an annual flat rate fee of 100,000.00 euros for each of the elected Statutory Auditors. Said fees are understood to be remunerative also for any further activities which may be attributed to the same".

As no one else asks to speak the Chairman declares the discussion closed and puts the proposal of the shareholder Roma Capitale to the vote. The Chairman asks those who do not wish to be included in the count of the majority to leave the hall before voting starts, using the procedure described above.

Before putting the proposal to the vote, the Chairman asks for the person keeping track of the number of participants present at the meeting to provide up-to-date figures on the participants present and asks the participants not to leave until voting has finished.

The time is 15.17 (fifteen seventeen hrs).

The Chairman informs the meeting that 304 (three hundred and four) participants with the right to vote are present or have appointed proxies for a total of 184,065,268 (one hundred and eighty-four million, sixty-five thousand two hundred and sixty-eight) shares, equal to 86.429861%, of which those with voting rights represent 157,788,257 shares equal to 74.091203 % of the share capital.

The Chairman once again asks participants to declare if there are grounds for suspending the right to vote unknown to the Chairman.

No declaration is made.

The Chairman declares voting on the proposal of the shareholder Roma Capitale to be open.

The Chairman asks participants to use the relevant button to cast their vote on the previously read proposal (F, which corresponds to a vote for the proposal, or A which corresponds to abstained, or C which corresponds to a vote against the proposal); asking voters to use the relevant button.

The Chairman reminds participants to check the screen to make sure they have cast the right vote and if there are no corrections to make to use the "OK" button to confirm; asking voters to use the relevant button. Finally, the Chairman asks voters to check the

screen to make sure the vote has been recorded.

Having received confirmation on the computerised system that the shareholders have voted, the Chairman declares voting to be closed and reads the results.

The Chairman declares that votes for the proposal amount to 155,629,136 (one hundred and fifty-five million six hundred and twenty-nine thousand one hundred and thirty-six) equal to 98.631634%.

Votes against amount to 494,445 (four hundred and ninety-four thousand four hundred and forty-five) equal to 0.313360%.

Abstained amount to 1,664,676 (one million six hundred and sixty-four thousand) equal to 1.055006%.

No non-voting capital.

The Chairman declares that the proposal of the shareholder Roma Capitale concerning the fees of the Board of Statutory Auditors has been approved by the majority. Said results are displayed on the screen behind the Chair's desk.

The Chairman informs the meeting that the list of those with voting rights who voted respectively for or against the proposal or who abstained and the relevant number of shares will be enclosed with the minutes as an integral part of the same.

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The Chairman therefore opens the discussion on the **fifth item** on the Agenda:

**5. Responsibility for the remuneration of directors with special powers**

The Chairman reminds participants that the Directors' reports on this item on the agenda have been registered with procedural formalities and distributed to participants so, with the permission of the Meeting, will not read the same.

The Chairman declares discussion of the fifth item on the agenda to be open, asking those who wish to speak to give their name to reserve the right to speak, and once again requests speeches be clear, concise, pertinent to the subject of the item on the agenda and limited to a time of 10 minutes, without prejudice to the right to a subsequent reply which should be limited to 5 minutes, in accordance with Meeting Regulations in force.

The Chairman calls upon Franco Di Grazia, who holds 65,167 shares, to speak.

DI GRAZIA. "Firstly, apart from the fact that in this day and age ethics should be more important than personal or particular gain or interest, this is a time in which the spending review should have priority as a strategy, but as this new idea has been proposed in item 5), we've prepared this note I'll read: "With particular reference to item 5) on the agenda which proposes that the Meeting gives the Board of Directors the powers to determine the remuneration of directors with special powers, I'd like to make the following comment: the BoD report mentions that the Board asked corporate specialists and/or external consultants for their opinions, who suggested including the proposal in the proposals for deliberation the shareholders are asked to vote on. In particular the legal opinion emphasizes the difference between the remuneration paid to directors as specified in paragraph one of article 2389 of the Italian Civil Code and the remuneration specified in paragraph three of the same Code to be paid to directors with special powers. The conclusion of the opinion is that the Board of Directors should be considered the sole body competent to make decisions on the remuneration to attribute to the Chairman and CEO, and that the shareholders' meeting has no competence in this case. Personally, on behalf of the small shareholders and investors of the Acea Group, I have to say that this isn't exactly the case. The provisions of paragraph three of Article 2389 of the Italian Civil Code give the Board of Directors



competence in this matter only in the case in which there is no statutory provision that reserves these powers for the Meeting. Having clarified this point, regardless of the prevailing market practice, we must see if article 21 of the current By-laws effectively strips the BoD of said powers to determine the remuneration referred to in paragraph three of the above-mentioned Article 2389, attributing these powers to the Meeting. Therefore, it is a merely juridical question. From an analysis of the text of the By-laws in question it would seem that only the Acea SpA Meeting is competent to determine and set the remuneration of all directors without making any distinction between the same, with the BoD having only the powers to make an internal division of said remuneration, but only in cases in which the Meeting failed to do so. Furthermore, a resolution has already been passed on the question by the Meeting on 5 June 2014, after it was discussed, examined and voted on. On this date, the Shareholders' Meeting, with a healthy majority, voted what should be considered the authentic, correct and definitive interpretation of the above-mentioned article 21 of the current By-laws, specifying that only the Meeting has the powers to determine the total remuneration of all directors, inclusive of the fixed and variable costs of the Chairman and CEO with reference to Article 84 ter of Italian Decree Law 69/2013, subsequently converted by Italian Law 98/2013, which as is known provides for the reduction in percentage terms of the remuneration paid to the directors of listed companies the first time their appointment is renewed. Said resolution, which the BoD has specifically referred to in its report, at least in my opinion, makes it impossible to interpret article 21 of the currently valid text of the By-laws in any other way, and as a consequence paragraph three of Article 2389 of the Italian Civil Code will never be applicable in the case in point, unless the text of the regulation currently in force is changed. As a consequence I must say that, the proposal for resolution in item 5) on the agenda attempts almost surreptitiously to introduce a change to the By-laws which can only be discussed in an Extraordinary Meeting and not in today's meeting. From the point of view of expediency, I would like to remind you that the reasons for which the majority shareholder proposed a motion, approved by the Meeting on 5 June 2014, are still valid as there is still the need to contain corporate costs until the financial crisis, in other words Roma Capitale's financial statements, show signs of more concrete parameters and results.

Message for the Extraordinary Commissioner Tronca. For the above reasons, in name and on behalf of the shareholders I represent, I must vote against the resolution proposed in item 5) on the agenda. To help with the work of keeping the minutes, I will give the Chairman a copy of the speech I just read. Signed Franco Di Grazia, President of the small shareholders' association. Vote against".

Di Grazia places the documents concerning his speech on the Chairman's table. The Chairman collects the same and registers them with the corporate deeds.

The Chairman calls up Aurelia Marie Binet Carrere to speak, mentioning that Binet Carrere represents 26,584,395 shares.

BINET CARRERE. "In most Utilities, both public-controlled companies and in those with various shareholders, the Board of Directors is competent for the remuneration of executives. This isn't done by chance and complies with the basic principles of good management and directors' responsibilities. In fact the Board of Directors as a whole is responsible for the company decision-making and strategy, but in practice these duties are delegated to the CEO and/or other directors. It's the Board of Directors that must evaluate the CEO's actions and judge the quality of the work done, on a daily basis. It is therefore essential that also the job of determining the remuneration of the

Chief Executive Office and any other directors attributed special powers by the same Board is associated with this fundamental Board of Directors' function. What's more, this principle is correctly expressed in Acea's By-laws. Therefore Suez Italia votes for this responsibility once more coming under the competence of the Board of Directors."

At this point, as no one else wishes to speak, the Chairman closes the session for discussion at 15.30 (fifteen thirty hrs).

The Chairman therefore asks the Shareholders' Meeting to approve the following proposal: "**The Acea S.p.A. Meeting, having examined the Board of Directors' Report,**

**resolves**

**to reattribute the competence, in accordance with art. 2389, paragraph 3 of the Italian Civil Code, to determine the remuneration of directors with special powers, to the Board of Directors, with reference in terms of remuneration to the practice used in listed companies of a similar size and sector, without prejudice to observance of the limits in accordance with art. 84 ter of Decree-Law No. 69/2013, converted by Law 98/2013."**

Franco Di Grazia asks to make an explanation of vote:

DI GRAZIA. "After having explained the position of the association I represent I wanted to make an explanation of vote asking the majority shareholder, and Extraordinary Commissioner Prefect Tronca, to respect the change implemented for the institution in office in compliance with spending review regulations. I ask the Meeting to vote against this decision, including the Municipal Authority."

The Chairman asks those who do not wish to be included in the count of the majority to leave the hall before voting starts, using the procedure described above. Those with proxies who intend to vote in different ways on the proposal, should go to the "voting assistance" desk.

Others with voting rights can vote with the "radiovoter" using the procedure specified previously.

Before putting the proposal to the vote, the Chairman asks for the person keeping track of the number of participants present at the meeting to provide up-to-date figures on the participants present and asks the participants not to leave until voting has finished.

The time is 15.33 (fifteen thirty-three hrs).

The Chairman informs the meeting that 304 (three hundred and four) participants with the right to vote are present or have appointed proxies for a total of 184,065,268 (one hundred and eighty-four million, sixty-five thousand two hundred and sixty-eight) shares, equal to 86.429861%, of which those with voting rights represent 157,788,257 shares equal to 74.091203 % of the share capital.

The Chairman once again asks participants to declare if there are grounds for suspending the right to vote unknown to the Chairman.

No declaration is made.

The Chairman declares voting on the proposal read to be open.

The Chairman therefore asks participants to use the relevant button for the vote each person wishes to cast on the previously read proposal (F, which corresponds to a vote for the proposal, or A which corresponds to abstained, or C which corresponds to a vote against the proposal); asking voters to use the relevant button.

The Chairman reminds participants to check the screen to make sure they have cast the right vote and if there are no corrections to make to use the "OK" button to confirm; asking voters to use the relevant button. Finally, the Chairman asks voters to

check the screen to make sure the vote has been recorded.

Having received confirmation on the computerised system that the shareholders have voted, the Chairman declares voting to be closed and reads the results.

The Chairman declares that votes for the proposal amount to 150,896,860 (one hundred and fifty million eight hundred and ninety-six thousand eight hundred and sixty) equal to 95.632503%.

Votes against amount to 6,887,347 (six million eight hundred and eighty-seven thousand three hundred and forty seven) equal to 4.364930%.

Abstained amount to 4,050 (four thousand and fifty) equal to 0.002567%.

No non-voting capital.

The Chairman announces that the proposal to reattribute the competence, in accordance with art. 2389, paragraph 3 of the Italian Civil Code, to determine the remuneration of directors with special powers to the Board of Directors has been approved by the majority.

Said results are displayed on the screen behind the Chair's desk.

The Chairman informs the meeting that the list of those with voting rights who voted respectively for or against the proposal or who abstained and the relevant number of shares will be enclosed with the minutes as an integral part of the same.

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As there are no more items on the agenda and no one asks to speak, the Chairman of the Meeting declares the meeting closed at 15.35 (fifteen thirty-five) thanking the participants and promising to bear any useful points made in mind.

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The following documents are enclosed with this deed after being signed by the appearing party and I the Notary:

- as letter " **A** " the list of the names of shareholders participating on their own behalf and/or by proxy at the meeting with the number of shares in compliance with the provisions of art. 83 sexies of Italian Legislative Decree No. 58/98;
- in one single document, as letter " **B** ": The Directors' Report, the ACEA S.p.a. Financial Statements for the year that ended on 31 December 2015, with the following enclosed: Letter to Shareholders, Notes, Board of Statutory Auditors' Report, Auditing Firm's Report and Certification of Financial Statements in accordance with Art. 154 bis of Italian Legislative Decree No. 58/98, the Consolidated Financial Statements for the year that ended on 31 December 2015, with enclosed: Notes, Auditing Firm's Report and Certification of Financial Statements in accordance with Art. 154 bis of Italian Legislative Decree No. 58/98 and Corporate Governance Report.
- as letter " **C** " the count of participants and the voting results on the first item on the agenda;
- as letter " **D** " the count of participants and the voting results on the second item on the agenda;
- as letter " **E** " the count of participants and the voting results on the third item on the agenda;
- as letters " **F** " and " **G** " the count of participants and the voting results on the fourth item on the agenda;
- as letter " **H** " the count of participants and the voting results on the fifth item on the agenda;
- as letter " **I** " the list of names of participants who voted for or against or who

abstained, did not vote or where removed from the hall, for each vote, with the relevant number of shares represented on their own behalf and/or by proxy.

- as letter " L " the Directors' Report on the Competence for the Remuneration of Directors with special powers.

The appearing party declares to be familiar with the content of the attachments and thus excuses me the Notary from reading them aloud.

In my capacity as a Notary I have received this deed which I have read to the appearing party who approves and signs the same at 20.10 hrs.

Partly typed by a trusted person and partly written by my hand, I the Notary declare that this deed of thirty-two pages is written on one hundred and twenty-four full pages and part of the one hundred and twenty-fifth.

Signed: CATIA TOMASETTI

MARIO SCATTONE (NOTARY)



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